

attention to the establishment of a Nazi camp for semimilitary training and asking for a congressional investigation; to the Committee on Immigration and Naturalization.

3583. By Mr. CARTER: Petition of the State Bar of California, memorializing the Congress to enact House bill 3155, providing for one public defender, and an assistant in each of the United States district courts; to the Committee on the Judiciary.

3584. Also, petition of the American Institute of Architects, urging the passage of legislation repealing the surtax on undistributed profits at once; to the Committee on Ways and Means.

3585. By Mr. ROMJUE: Petition of the American Legion Post, No. 285, Hamilton, Mo., calling upon Congress to take immediate steps to pass legislation declaring November 11 a national legal holiday; to the Committee on the Judiciary.

3586. By Mr. CARTER: Petition of the California Wool Growers' Association, opposing the diversion of social-security taxes, and urging such taxes be used only for the purpose for which they are intended; also urging amendments to the surtax on undivided profits; to the Committee on Ways and Means.

3587. By Mr. ANDREWS: Petition of the residents of Buffalo, N. Y., favoring enactment of House bill 4199; to the Committee on Ways and Means.

3588. By Mr. KRAMER: Resolution of the board of supervisors of Los Angeles County, pertaining to the Banking and Currency Committee reporting out the amendments to the National Housing Act, etc.; to the Committee on Banking and Currency.

3589. By Mr. ANDREWS: Petition of the residents of Buffalo, N. Y., protesting against the levying of any tax on food products; to the Committee on Ways and Means.

3590. By Mr. KRAMER: Resolution of the city council of Redding, Calif., pertaining to Central Valley project, etc.; to the Committee on Irrigation and Reclamation.

## SENATE

SATURDAY, DECEMBER 11, 1937

(Legislative day of Tuesday, November 16, 1937)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

### THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Friday, December 10, 1937, was dispensed with, and the Journal was approved.

### CALL OF THE ROLL

Mr. BARKLEY. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The CHIEF CLERK called the roll, and the following Senators answered to their names:

Adams	Copeland	Johnson, Colo.	Pepper
Andrews	Davis	King	Pittman
Ashurst	Dieterich	La Follette	Pope
Austin	Donahay	Lee	Radcliffe
Bailey	Duffy	Lewis	Reynolds
Bankhead	Ellender	Lodge	Russell
Barkley	Frazier	Logan	Schwartz
Berry	George	Lonergan	Schwellenbach
Bilbo	Gerry	Lundeen	Sheppard
Bone	Gibson	McAdoo	Shipstead
Borah	Gillette	McCarran	Smith
Brown, Mich.	Glass	McGill	Stelwer
Brown, N. H.	Graves	McKellar	Thomas, Okla.
Bulkley	Green	McNary	Thomas, Utah
Bulow	Guffey	Maloney	Townsend
Burke	Hale	Miller	Truman
Byrd	Harrison	Minton	Tydings
Byrnes	Hatch	Moore	Vandenberg
Capper	Hayden	Murray	Van Nuys
Caraway	Herring	Neely	Wagner
Chavez	Hitchcock	Norris	Walsh
Clark	Holt	O'Mahoney	White
Connally	Johnson, Calif.	Overton	

Mr. MINTON. I announce that the Senator from Delaware [Mr. HUGHES] is detained from the Senate because of illness.

The Senator from New Jersey [Mr. SMATHERS] is detained because of illness in his family.

The Senator from Montana [Mr. WHEELER] is unavoidably detained.

Mr. AUSTIN. The Senator from New Hampshire [Mr. BRIDGES] is absent on official business.

The VICE PRESIDENT. Ninety-one Senators having answered to their names, a quorum is present.

### PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate a resolution adopted by the Taxpayers' Protective League, of Newark, N. J., favoring the enactment of the bill (H. R. 1507) to assure to persons within the jurisdiction of every State the equal protection of the laws, and to punish the crime of lynching, which was ordered to lie on the table.

Mr. COPELAND presented resolutions adopted by a meeting of the Walton (N. Y.) Chamber of Commerce, protesting against the curtailing of Federal-aid highway appropriations to the States, which were referred to the Committee on Post Offices and Post Roads.

He also presented resolutions adopted by Cape Vincent Grange, No. 599, of Cape Vincent, and Lewis County Pomona Grange, both of the Patrons of Husbandry, in the State of New York, protesting against the enactment of the so-called Black-Connery wage and hour bill, which were ordered to lie on the table.

Mr. WALSH and Mr. LODGE presented a resolution adopted by the City Council of Revere, Mass., and approved by the mayor of that city, protesting against the influx of foreign-made shoes into the United States, which was referred to the Committee on Finance.

### BUSINESS AND ECONOMIC CONDITIONS—PETITION

Mr. WALSH. Mr. President, I present a communication from leading industrialists and prominent businessmen of the city of Worcester, Mass., which I ask to be treated as a petition, printed in full in the CONGRESSIONAL RECORD, and referred to the Committee on Finance.

There being no objection, the petition was referred to the Committee on Finance and ordered to be printed in the RECORD, without the signatures, as follows:

A citizen's petition to the President and Congress.

SM: At meetings held in Worcester, Mass., on December 2, 1937, and succeeding days the undersigned representatives of manufacturing and mercantile establishments of Worcester, deeply concerned with regard to the effect of executive and legislative action of the Federal Government upon business conditions in this district and throughout the country, with the hope that their fellow citizens who may view the problems in the same way will take like action, have determined to advise the administration and every Member of the Congress that in their opinion it is imperative that there should be prompt action by those in authority to the following ends, namely:

First, that the undistributed profits tax should be immediately repealed and that laws designed to raise the necessary funds for the maintenance of the Government be carefully considered in the light of recent experience and the likely effect upon economic conditions and the state of the public mind and public confidence.

Second, that the Government policy toward public utilities be such as to encourage the immediate expenditure of the large sums of money required to rehabilitate and afford the requisite expansion of these important agencies of community welfare.

Third, that the Government stop its competition with private business which has discouraged private enterprise and investment which are the foundations of increased employment and economic welfare.

Fourth, that emergency expenditures be confined to essentials for relief, and reduction in governmental costs be effected to revive confidence, eliminate necessity of additional taxation, and move directly toward balancing the Federal Budget.

Fifth, that the effect of the existing capital gains tax upon business cycles should be carefully considered.

Sixth, that no Federal wage and hour legislation be adopted without solemn consideration of its effect upon present economic conditions and future opportunities for a resumption of the widest possible measure of profitable employment.

We sincerely hope that the accomplishment of this all-important program will suffer no unnecessary delays in view of the present country-wide recession in business and its consequences for all of our citizens. Our concern in these matters can be understood because the livelihood of well over 50,000 of our fellow citizens depends upon the welfare of the establishments which we represent.

## EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

Mr. PITTMAN, from the Committee on Foreign Relations, reported favorably the nominations of Forrest K. Geerken, of Minnesota, and David A. Thomasson, of Kentucky, for appointment as Foreign Service officers, unclassified, vice consuls of career, and secretaries in the Diplomatic Service.

Mr. SHEPPARD, from the Committee on Military Affairs, reported favorably the nominations of sundry officers for promotion in the Regular Army.

He also, from the same committee, reported favorably the nominations of sundry officers for appointment in the Regular Army.

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of several postmasters.

The VICE PRESIDENT. The reports will be placed on the Executive Calendar.

## BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. McNARY:

A bill (S. 3126) authorizing the Secretary of War to convey a certain parcel of land in Tillamook County, Oreg., to the State of Oregon to be used for highway purposes; and

A bill (S. 3127) to aid in providing a permanent mooring for the battleship *Oregon*; to the Committee on Military Affairs.

By Mr. MALONEY:

A bill (S. 3128) for the relief of Willard Twitchell; to the Committee on Finance.

By Mr. REYNOLDS:

A bill (S. 3129) for the relief of Dr. Henry Clay Risner; to the Committee on Claims.

By Mr. CONNALLY:

A bill (S. 3130) for the relief of W. O. West; to the Committee on Claims.

## AGRICULTURAL RELIEF—AMENDMENTS

Mr. BILBO, Mr. BANKHEAD, Mr. LA FOLLETTE, Mr. OVERTON, Mr. PEPPER, and Mr. RUSSELL each submitted an amendment intended to be proposed by them, respectively, to the bill (S. 2787) to provide an adequate and balanced flow of the major agricultural commodities in interstate and foreign commerce, and for other purposes, which were severally ordered to lie on the table and to be printed.

## MESSAGES FROM THE PRESIDENT—APPROVAL OF A BILL

Messages in writing from the President of the United States, submitting nominations, were communicated to the Senate by Mr. Latta, one of his secretaries, who also announced that on December 6, 1937, the President had approved and signed the act (S. 2675) to amend certain sections of the Federal Credit Union Act approved June 26, 1934 (Public, No. 467, 73d Cong.).

## THE UNITED STATES CUSTOMS COURT—ARTICLE BY HON. GEORGE STEWART BROWN

[Mr. TYDINGS asked and obtained leave to have printed in the RECORD an article by Hon. George Stewart Brown, judge of the United States Customs Court, entitled "The United States Customs Court," published in the American Bar Association Journal for June and July 1933, which appears in the Appendix.]

## SENATOR WHEELER—ARTICLE IN NEW YORK TIMES MAGAZINE

[Mr. STEIWER asked and obtained leave to have printed in the RECORD an article entitled "The Liberal Who Fights New Deal Liberalism," published in the New York Times Magazine for August 8, 1937, which appears in the Appendix.]

## THE CHALLENGE OF THE DROUGHT—ARTICLE BY JOHN C. PAGE

[Mr. NORRIS asked and obtained leave to have printed in the RECORD an article entitled "The Challenge of the Drought," by John C. Page, Commissioner of Reclamation, published in the Reclamation Era for November 1937, which appears in the Appendix.]

## AGRICULTURAL RELIEF

The Senate resumed the consideration of the bill (S. 2787) to provide an adequate and balanced flow of the major agricultural commodities in interstate and foreign commerce, and for other purposes.

The VICE PRESIDENT. The clerk will state the next committee amendment.

The next amendment was, on page 69, beginning in line 19, to insert:

13. "Reserve supply level" shall be the normal supply plus a percentage of a normal supply adequate to insure a sufficient quantity to meet domestic consumption and export needs in years of drought, flood, or other adverse conditions, as well as in years of plenty. In the case of tobacco such percentage shall be 5 percent. In the case of rice 10 percent.

Mr. MCGILL. Mr. President, the amendment defining "reserve supply level" does not apply to any provision of the bill save and except the commodities of tobacco and rice. I move to amend the committee amendment on line 19, page 69, after the word "level", by inserting the words "of tobacco and rice."

The VICE PRESIDENT. The amendment offered by the Senator from Kansas to the committee amendment will be stated.

The LEGISLATIVE CLERK. On page 69, line 19, after the word "level", it is proposed to insert "of tobacco and rice."

The amendment to the amendment was agreed to.

Mr. BORAH. Mr. President, I should like to go back to page 65 for the purpose of offering an amendment in line 16.

The VICE PRESIDENT. Is there objection? The Chair hears none.

The Parliamentary Clerk advises the Chair that since the matter in line 16 is part of a committee amendment, the proper procedure is to reconsider the vote by which the committee amendment was agreed to. Does the Senator from Idaho ask unanimous consent to reconsider that vote, so that he may offer an amendment to the committee amendment?

Mr. BORAH. I do.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the vote by which the committee amendment was agreed to is reconsidered.

Mr. BORAH. On page 65, line 16, after the word "estate", I move to insert the words "and freight rates"; and after the word "payments" in line 17, where it occurs the second time, I move to insert the words "freight rates." That is to enable the matter of freight rates to be taken into consideration in estimating parity of prices or parity of income.

The VICE PRESIDENT. The amendment offered by the Senator from Idaho to the amendment of the committee will be stated.

The LEGISLATIVE CLERK. On page 65, line 16, after the words "real estate", it is proposed to insert "and freight rates"; and on line 17, after the word "payments" where it occurs the second time, it is proposed to insert the same words.

Mr. MCGILL. Mr. President, has the Senator from Idaho an estimate as to how much difference that would make with reference to what would constitute parity?

Mr. BORAH. No, I have no estimate and I do not know. I am in the same situation as we all are with reference to other items to be considered. However, I do know that unless the question of freight rates is taken into consideration the supposed benefits of the bill will be practically wiped out by an increase of 15 percent in freight rates.

Mr. MCGILL. I do not agree with that statement, but I think the Senator has a very good point. Freight rates are an element which ought to be considered, in my judgment.

Mr. AUSTIN. Mr. President—

The VICE PRESIDENT. Does the Senator from Idaho yield to the Senator from Vermont?

Mr. BORAH. I yield.

Mr. AUSTIN. I ask the Senator from Idaho if the ascertainment of parity would not have to take into consideration interest on mortgage debts, taxes, and freight rates of other



people than those who are engaged in farming as a gainful occupation?

Mr. BORAH. We should, I suppose; but we are dealing now only with a farm bill.

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from Idaho to the amendment of the committee.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The VICE PRESIDENT. The clerk calls the attention of the Chair to the fact that the Senator from Kansas [Mr. MCGILL] offered an amendment, on page 69, line 19, which was adopted, but that the committee amendment as amended has not been agreed to.

Mr. McNARY. Mr. President, I did not clearly understand the Chair. What is the situation?

The VICE PRESIDENT. A few moments ago, before the Chair recognized the Senator from Idaho [Mr. BORAH], the Senate returned to page 69, line 19, where a certain amendment was offered by the Senator from Kansas [Mr. MCGILL]. The amendment offered was an amendment to an amendment as reported by the committee, and it was agreed to, but up to this time the committee amendment as amended has not been agreed to. The question is on agreeing to the committee amendment as amended.

The amendment as amended was agreed to.

The VICE PRESIDENT. The clerk will state the next amendment.

The next amendment of the Committee on Agriculture and Forestry was, on page 70, beginning in line 1, to insert:

14. "Ever-normal granary" for wheat and corn shall be such supply, in addition to the normal supply but not in excess of 10 percent thereof, as will maintain a surplus reserve adequate enough to meet domestic consumption and export needs in years of drought, flood, or other adverse conditions, as well as in years of plenty.

Mr. POPE. Mr. President, near the close of the session yesterday the Senator from Vermont [Mr. AUSTIN] and I had a colloquy about the definition of parity of income as referred to on page 65. At that time he asked a very fair and very proper question as to why in arriving at parity the words "net income" should be used in comparison with the income of individuals other than farmers. Since that time I have made some investigation of the matter.

The reason why net income is compared to income of individuals other than farmers is that the net income of farmers, which means the gross income less necessary expenditures to produce the crop, is comparable to the income of others received from salaries or interest on investments or in other ways. That is why the term "net income" as applied to farmers and income as applied to others seemed quite comparable. It seemed to me quite proper to compare those incomes of farmers with the incomes of those who receive their incomes from other sources.

Mr. AUSTIN. Mr. President, will the Senator yield?

Mr. POPE. Certainly.

Mr. AUSTIN. Is the Senator employing in this section the rules that are employed by the Internal Revenue Department in ascertaining net income and income for tax purposes?

Mr. POPE. I think that is true. While I am on my feet, I desire also to answer a question which the Senator from Vermont asked me near the beginning of the consideration of the bill. I may say that the questions of the Senator from Vermont throughout the whole debate have been uniformly fair and designed to bring out necessary information. I very much appreciate that, and I pay him my respects.

The Senator from Vermont asked a question some time ago as to whether or not, in my opinion, the provisions for a referendum in the corn and wheat title of the bill were not different from the provisions for a referendum applied to cotton, tobacco, and rice. At that time I could not give him a definite answer, because I had not carefully examined the provisions as to cotton, tobacco, and rice. Since that

time I have made a rather careful examination of the matter.

On pages 24, 25, and 26 of the bill appear the referendum provisions as to wheat and corn. In lines 16 to 23, page 24, it is provided that the Secretary, after finding certain facts—

shall proclaim the amount of such total supply, and that, beginning on the 15th day after the date of the proclamation, a national marketing quota shall be in effect.

I call particular attention to the last few words of that sentence:

A national marketing quota shall be in effect.

At the bottom of page 25 and top of page 26 provision is made for a referendum; and if more than two-thirds of the farmers voting oppose such quota—

the Secretary shall by proclamation suspend the operation of the national marketing quota.

Under authorities cited by me heretofore, it seems clear that the referendum would not originate the marketing quota, but would constitute an event determining when such quota should go into effect.

Mr. AUSTIN. Mr. President, will the Senator yield for a question at that point?

The PRESIDING OFFICER (Mr. GEORGE in the chair). Does the Senator from Idaho yield to the Senator from Vermont?

Mr. POPE. I yield.

Mr. AUSTIN. This question has been raised in the courts of Vermont, and the highest court has held to be perfectly constitutional a referendum which merely postpones the effective date of the law, and commends the practice of postponing that date beyond another session of the legislative body, so that if it is deemed wise to make a change, such change can be made.

The matter that interests me is whether the determination of the legislature would be effective at all. I was doubtful of the soundness of that kind of legislation, and wondered if there was any purpose in making the provision therefor different than the one to which the Senator from Idaho now refers. I think they stand upon entirely different constitutional bases.

Mr. POPE. I shall discuss the point raised by the Senator. In the cotton provisions of the bill, which appear on pages 33 and 34, it is provided that the Secretary shall, after appropriate findings—

Proclaim that beginning on the first of the marketing year next following, and continuing throughout such year, a national marketing quota shall be in effect.

Then follow the provisions for the referendum. Then it is provided that if more than one-third of the farmers voting in the referendum oppose the quota—

The Secretary shall, within 15 days after the first referendum under this section and prior to the first day of the following January in case of any subsequent referendums, announce the result of the referendum and such quota shall not become effective.

While it will be noted that the wording in the cotton provision is slightly different from the wording in the wheat and corn provision, I think the effect is the same and that the same rule would apply. In the wheat and corn provision the quota would become suspended, while in the cotton provision the quota would not become effective. It would seem to me to be hairsplitting to try to make any difference in that language. In both cases the event is the same—that is, if two-thirds vote favorably in the referendum the quota goes into effect. That is the event putting it into effect, and while the language is different it seems to me that the essence of the results of the referendum is not different. Therefore in my judgment they both are of the same effect.

Mr. AUSTIN. Mr. President, in that connection I invite attention to the case of Schechter Poultry Corporation against United States, in which Mr. Justice Cardozo, concurring, made this statement about the delegation of legislative authority through a referendum. Of course, I have



to assume that the referendum provided for in the bill is one we are accustomed to, one that is ascertained by a ballot in some systematic and regular and orderly way. Assuming that to be true, then I think the question I have in mind and which I propounded to the Senator from Idaho is pertinent. Mr. Justice Cardozo said:

The delegated power of legislation, which has found expression in this code, is not canalized within banks that keep it from overflowing. It is unconfined and vagrant, if I may borrow my own words in an earlier opinion.

This Court has held that delegation may be unlawful though the act to be performed is definite and single, if the necessity, time, and occasion of performance have been left in the end to the discretion of the delegate (*Panama Refining Co. v. Ryan*, supra). I thought that ruling went too far. I pointed out in an opinion that there had been "no grant to the Executive of any roving commission to inquire into evils and then, upon discovering them, do anything he pleases" (293 U. S., at p. 435). Choice, though within limits, had been given him "as to the occasion, but none whatever as to the means" (ibid.). Here, in the case before us, is an attempted delegation not confined to any single act nor to any class or group of acts identified or described by reference to a standard.

The thought I had in mind was that in the first referendum provision the Senator has not left to the delegate the determination of the time when the action should go into effect but has determined that it should go into effect at a certain time—withstanding the fact was in the negative, this act should then after that lapse of time go into effect.

In respect of the matter on pages 33 and 34 I cannot quite agree with the Senator from Idaho about the interpretation. It seems to me the power there given to the delegate is entirely his own to determine when the act shall go into effect and that that is possibly a fatal defect.

Mr. POPE. Mr. President, I am very glad to have that suggestion. I shall call that distinction to the attention of those particularly interested in cotton, tobacco, and rice, because it seems to me the corn and wheat section more clearly sets forth the distinction. The Secretary has power to declare that on a certain day the marketing quota shall go into effect. Then there is a provision for an intervening referendum which may or may not change that situation. In other words, it may be the intervening event which enters into it.

In the other case the distinction is that the proclamation declaring the quota would not become effective until after a favorable referendum. I think there is a possible distinction and I think the delegation of power in the corn and wheat section is more clearly within the authorities which I have cited than the other. I am very glad the Senator called that to our attention because it will be helpful in possibly changing the words slightly in order to bring them within the same category exactly as those in the corn and wheat section.

Mr. VANDENBERG. Mr. President, may I ask the Senator from Vermont a question at that point?

The PRESIDING OFFICER. Does the Senator from Vermont yield to the Senator from Michigan?

Mr. AUSTIN. I yield.

Mr. VANDENBERG. Referring again to the language which the Senator from Vermont read from the opinion by Mr. Justice Cardozo, I ask the Senator's opinion regarding the jurisdiction of this phrase: "The occasion of performance?" Let me read the full sentence:

This Court has held that delegation may be unlawful though the act to be performed is definite and single, if the necessity, time, and occasion of performance have been left in the end to the discretion of the delegate.

Would not the Senator say that the phrase, "occasion of performance", would relate to the method and procedural action which governs the referendum, and is not the Senator's bill in danger on account of this unconstitutional delegation of power when it completely neglects to define the method of holding a referendum?

Mr. POPE. I am afraid I could not give the Senator a satisfactory answer to the question. I will examine the language, however, and at some opportune moment after I have examined the decision and compared it with the other authorities I will give the Senator my judgment.

Mr. AUSTIN. Mr. President, will the Senator yield?

Mr. POPE. I yield.

Mr. AUSTIN. I think it might be helpful to have in the RECORD at this point of the colloquy a study of this question of the constitutionality of a popular referendum as applied to acts of Congress. I have the material in my hand, and will be glad to put it in the RECORD.

Mr. POPE. I will be very glad to have it in the RECORD.

Mr. AUSTIN. I ask unanimous consent that the article be inserted in the RECORD at this point.

Mr. McNARY. Mr. President, does this include the Bituminous Coal Act decision of 1935?

Mr. AUSTIN. It does not.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Vermont?

There being no objection, the article was ordered to be printed in the RECORD, as follows:

#### CONSTITUTIONALITY OF A POPULAR REFERENDUM AS APPLIED TO ACTS OF CONGRESS

The act of July 9, 1846 (9 Stat. 35-37), by which Congress provided for the retrocession of Alexandria County to Virginia, included the following provision (sec. 4): "This act shall not be in force until after the assent of the people of the county and town of Alexandria shall be given to it. . . . If a majority of the votes so given shall be cast against accepting the provisions of this act, then it shall be void and of no effect; but if a majority of the said votes should be in favor of accepting the provisions of this act, then this act shall be in full force, and it shall be the duty of the President of the United States to inform the Governor of Virginia that this act is in full force and effect, and to make proclamation of the fact."

The constitutionality of this provision was questioned as a delegation of legislative power by Congress, in *Phillips v. Payne*, 92 U. S. 130; the Supreme Court, without discussing the constitutional question directly, stated (p. 133):

"The State of Virginia is de facto in possession of the territory in question. She has been in possession, and her title and possession have been undisputed, since she resumed possession, in 1847, pursuant to the act of Congress of the preceding year. More than a quarter of a century has since elapsed. During all that time she has exercised jurisdiction over the territory in all respects as before she ceded it to the United States. She does not complain of the retrocession. The political departments of her government, by their conduct, have uniformly asserted her title; and the head of her judicial department has expressly affirmed it. *McLaughlin v. The Bank of Potomac*, 7 Gratt. 68. The United States have not objected. No murmur of discontent has been heard from them: on the contrary, Congress, by more than one act, has recognized the transfer as a settled and valid fact. Act of July 5, 1848, c. 92, 9 Stat. 244; act of Feb. 2, 1871, c. 33, 16 Stat. 402; Rev. Stat. U. S., sec. 1795. Both parties to the transaction have been and still are entirely satisfied. If the objection taken by the plaintiff in error were maintained in the length and breadth insisted upon, serious consequences would follow. In that view, a part of them would be that all laws of the State passed since the retrocession, as regards the county of Alexandria, were void; taxes have been illegally assessed and collected; the election of public officers, and the payment of their salaries, were without warrant of law; public accounts have been improperly settled; all sentences, judgments, and decrees of the courts were nullities, and those who carried them into execution are liable civilly, and perhaps criminally, according to the nature of what they have severally done."

In *Commonwealth v. Painter*, 10 Pa. 214, 216, the Supreme Court of Pennsylvania, referring to the act of July 9, 1846, as a constitutional precedent, said:

"Many of the most profound constitutional lawyers in the Union were in Congress at that time; and the State of Virginia never hesitated to accept the retrocession, because the Congress of the United States delegated to the people the decision of the question. This act, under all the circumstances, must therefore be considered as high authority and a precedent in the development of the constitutional functions of the legislative power."

Likewise the Supreme Court of Appeals of Virginia, in *Bull v. Read* (13 Gratt. 78, 92), stated that the constitutionality of the act of July 9, 1846, had never been questioned, to the knowledge of the court.

The act of May 23, 1918 (40 Stat. 560-561), which prohibited the sale, etc., of intoxicating liquors in Hawaii, contained the following proviso: "That at any general election of the Territory of Hawaii, held within 2 years after the conclusion of peace, the repeal of this act may, upon petition of not less than 20 percent of the qualified electors of said Territory at the last preceding general election, be submitted to a vote of the qualified electors of said Territory, and if a majority of all the qualified electors thereof voting upon such question shall vote to repeal this act, it shall thereafter not be in force and effect, otherwise it shall be in full force and effect."

The constitutionality of an act contingent for its validity on a popular referendum has been more frequently discussed in connection with State laws than with acts of Congress, on account of the greater number of cases in which the State legislatures have attempted to make acts so contingent. In substantially all the States "local option" laws (i. e., laws not operating uniformly throughout the entire State, but dependent for their operation



on the vote of the people in the various cities, counties, or other local units) are at the present time held constitutional (see for example *Thalheimer v. Board of Supervisors*, 11 Ariz. 430; *Boyd v. Bryant*, 35 Ark. 69; *Schwartz v. People*, 46 Colo. 239; *State v. Wilcox*, 42 Conn. 364; *Anderson v. Commonwealth*, 13 Bush (Ky.) 485; *Fell v. State*, 42 Md. 71, 85; *Commonwealth v. Bennett*, 108 Mass. 27; *Alcorn v. Hamer*, 38 Miss. 652; *State v. Pond*, 93 Mo. 606; *In re O'Brien*, 29 Mont. 530; *State v. Noyes*, 30 N. H. 279; *Cain v. Commissioners*, 68 N. C. 8; *Territory v. O'Connor*, 5 Dak. 397; *Gordon v. State*, 46 Ohio St. 607; *State v. Barber*, 19 S. D. 1; *Savage v. Commonwealth*, 84 Va. 619). In several States such laws were at an early period held invalid as an attempt to delegate legislative power to the voters; but the earlier decisions have been expressly repudiated by later decisions by the same courts, and local option laws upheld on the theory that it is the operation and not the taking effect of the law that is determined by the popular vote (see *Ex parte Wall*, 48 Cal. 279, 313; *Ex parte Beck*, 162 Cal. 701, 705; *Maize v. State*, 4 Ind. 342, 350; *McPherson v. State*, 174 Ind. 60, 75; *Parker v. Commonwealth*, 6 Pa. 507; *Locke's Appeal*, 72 Pa. 491, 497). In a few States decisions holding local option laws invalid appear to be still recognized, at least insofar as the law in question imposes a penalty for an act that is permissible in districts voting against the operation of the law (see *Rice v. Foster*, 4 Harr. (Del.) 479; *In re School Code of 1919*, 108 Atl. (Del.) 39; *Wright v. Cunningham*, 115 Tenn. 445, 468; *Greenwood v. Rickman*, 235 S. W. (Tenn.) 425; *State v. Swisher*, 17 Tex. 441; *Ex parte Mitchell*, 177 S. W. (Tex.) 953; *Spears v. San Antonio*, 223 S. W. (Tex.) 166).

In most of the States whose constitutions permit local legislation the courts have upheld the validity of laws providing for a local referendum similar to that under the act of Congress relating to Alexandria County, referred to above. (See for example *Little Rock v. North Little Rock*, 72 Ark. 195; *State v. Samson*, 62 Fla. 303; *Mayor v. Finney*, 54 Ga. 317; *People v. Reynolds*, 10 Ill. 1; *Commonwealth v. Weller*, 14 Bush 218; *Poy v. Water District*, 98 Me. 82; *Stone v. Charlestown*, 114 Mass. 218; *Attorney General v. Springwells*, 143 Mich. 523; *People v. City of Butte*, 4 Mont. 174; *Morgan v. Monmouth Plank Road Co.*, 26 N. J. L. 99; *People v. Kennedy*, 207 N. Y. 545; *Manly v. City of Raleigh*, 57 N. C. 370; *McGonnell's License*, —; *Bull v. Read*, 13 Gratt. 78; *Rutter v. Sullivan*, 25 W. Va. 127. But see *State v. Garver*, 68 Ohio Stat. 555, in which the contrary view appears to have been held.)

There are only a few cases in which the courts have passed directly on the validity of a law conditioned to take effect only upon its approval by a majority of the voters of the State at large, and the decisions are by no means uniform. In *Santo v. State* (2 Iowa 165) the Supreme Court of Iowa held such a provision invalid because (p. 203) "The general assembly cannot legally submit to the people the proposition whether an act should become a law or not; and the people have no power, in their primary or individual capacity, to make laws. . . . Now, if the people are to say whether or not an act shall become a law, they become, or are put in the place of, the lawmaker. And here is the constitutional objection. Their will is not a contingency upon which certain things are or are not to be done under the law, but it becomes the determining power whether such shall be the law or not." In an opinion to the legislature (160 Mass. 586) the Supreme Court of Massachusetts held that a general law cannot constitutionally be submitted to the voters of the entire State because (p. 589) "the substance of the transaction is that the legislative department declines to take the responsibility of passing the law; but the law has force, if at all, in consequence of the votes of the people; they ultimately are the legislators." In *People v. Collins* (3 Mich. 343), the Supreme Court of Michigan was evenly divided as to the validity of an act which was to go into effect within a short time if approved by the people, otherwise not until 17 years later. In *Ross v. State* (6 Minn. 293), the Supreme Court of Minnesota stated that the territorial courts had held invalid an act of the Territorial legislature which was referred to the voters of the Territory. In *State v. Hayes* (61 N. H. 264), the Supreme Court of New Hampshire held invalid an act submitted to the voters of the State on the ground that (p. 329) the legislature had no power to "transfer from themselves to others the responsibility of passing or refusing to pass a law of a nonlocal character." In *Barto v. Himrod* (8 N. Y. 483), the Court of Appeals of New York held invalid an act which provided that "the electors shall determine by ballot at the annual election held in November next whether this act shall or shall not become a law," on the ground that the legislature had "no power to make a statute dependent on such a contingency because it would be confiding to others that legislative discretion which they are bound to exercise themselves, and which they cannot delegate or commit to any other man or men to be exercised." In *State v. Copeland* (3 R. I. 33), the Supreme Court of Rhode Island, in upholding the validity of a law which contained a provision for a popular vote as to its repeal, said that since a majority did not in fact vote for repeal it was unnecessary to pass upon the validity of this particular provision.

On the other hand, in *Hudspeth v. Swayze* (85 N. J. L. 592), the New Jersey Court of Errors and Appeals in 1913 upheld the validity of a general State-wide referendum on the ground that (p. 597) the State constitution "contains certain express limitations upon the powers of the legislature, but among them is no prohibition against submitting to popular vote questions whether or not an act passed by the legislature shall become operative. . . . The exact question presented for solution in this case is one of novel impression in this State; and while the trend of judicial authority in other States has been against the right asserted by the legislature in this State in the act under review, there are cases holding such

an act to be constitutional." In *State v. Parker* (26 Vt. 357) the Supreme Court of Vermont upheld the validity of an act which was to go into effect in March or in December according to the vote of the people of the State in February on the ground that (p. 365) "the contingency upon which the present statute was to be suspended until another legislature should meet and have an opportunity of reconsidering it was not only proper and legal and just and moral but highly commendable and creditable to the legislature who passed the statute." This decision was declared by the court to be still the authoritative statement of the law of Vermont in the recent case of *State v. Scampini* (77 Vt. 92, 97). In *Smith v. Janesville* (26 Wis. 291) the Supreme Court of Wisconsin upheld the validity of a general State-wide referendum on the ground that there is no difference in principle between a referendum on local and on general laws. This decision was approved and followed in the recent cases of *State v. Frear* (142 Wis. 320) and *State v. Johnson* (175 N. W. 589, 601), both of which were likewise State-wide referendums.

In Cooley's *Constitutional Limitations* (7th ed., p. 168), the question of a State-wide referendum is discussed in the following language:

"May not any law framed for the State at large be made conditional on an acceptance by the people at large, declared through the ballot box? If it is not unconstitutional to delegate to a single locality the power to decide whether it will be governed by a particular charter, must it not quite as clearly be within the power of the legislature to refer to the people at large, from whom all power is derived, the decision upon any proposed statute affecting the whole State? And can that be called a delegation of power which consists only in the agent or trustee referring back to the principal the final decision in a case where the principal is the party concerned, and where perhaps there are questions of policy and propriety involved which no authority can decide so satisfactorily and so conclusively as the principal to whom they are referred?"

"If the decision of these questions is to depend upon the weight of judicial authority up to the present time, it must be held that there is no power to refer the adoption or rejection of a general law to the people of the State any more than there is to refer it to any other authority. The prevailing doctrine in the courts appears to be that, except in those cases where, by the constitution, the people have expressly reserved to themselves a power of decision, the function of legislation cannot be exercised by them even to the extent of accepting or rejecting a law which has been framed for their consideration."

In connection with this quotation it is to be noted that the tendency of the more recent cases has been toward recognizing the validity of the referendum; for 40 years there has apparently been no case in which a State-wide referendum has been held invalid, while several recent cases, including one in such a conservative State as New Jersey, have squarely upheld the validity of a State-wide referendum.

Mr. ELLENDER. Mr. President, yesterday we passed over an amendment on page 68, subsection (b). I ask that that amendment be submitted at this time.

Mr. MCGILL. Why can we not dispose of the amendment on page 70 before we go to some other amendment?

Mr. ELLENDER. Is there an amendment pending?

Mr. MCGILL. There is an amendment pending.

Mr. ELLENDER. I did not know that.

The PRESIDING OFFICER. The question is on agreeing to the amendment at the top of page 70.

Mr. McNARY. Mr. President, I desire to consider this amendment for a few moments. If I understand aright the state of mind of the Secretary of Agriculture, this is the ark of the covenant with him. This is the only part of the bill which he has supreme confidence is practicable.

I direct my question to the Senator from Idaho and the Senator from Kansas. On page 70, lines 1 to 6, we find a definition of the ever-normal granary; and it is a very clear definition. However, I wish to refer to page 18, lines 1 to 13. The language there represents a committee amendment, and in my opinion that committee amendment in many respects would kill the purposes of the normal granary. It was not in the original bill. The definition on page 70 which we are now considering is the very language that is stricken out on page 18.

Mr. POPE. Mr. President, will the Senator yield?

Mr. McNARY. I very gladly yield.

Mr. POPE. The portion stricken out on page 18, to which the Senator has referred, clearly transfers the definition to this point in the bill, so that it might be under the subject "Definitions."

Mr. McNARY. But that is not the whole story. The ever-normal granary is defined in the bill in the language found on page 70, which we are now considering. In the



original text it was defined on page 18; but I am inquiring about the language in italics found on lines 2, 3, 4, 5, 6, and 7, page 18, and I ask whether that does not in fact kill the ever-normal granary. It reads:

But no ever-normal granary shall be established or proclaimed for wheat or corn for any marketing year if the Secretary has reason to believe that during the first 3 months of such marketing year the current average farm price for the commodity shall be more than the parity price therefor.

Mr. President, that language was not in the original text. The bill originally contained the language found on page 18, without the language in italics, and with the language proposed to be stricken out. That was provision for a complete ever-normal granary. But under the language in italics, if the Secretary has reason to believe that during the first 3 months of the marketing period the average current price will exceed the parity price, he does not at that time establish the ever-normal granary.

Let me illustrate. The marketing year for wheat begins on June 1. If at that time, or in July or August, in the opinion of the Secretary the current average price, which is the price then obtaining, is higher than the parity price, there will be no ever-normal granary. It may be that in 1938, or in 1939, or sometime in the distant future, during the first 3 months of the marketing year the current average price for wheat would be \$1.35, and the parity price would be \$1.25. It does not have to be, but if the Secretary has reason to believe that will be the price, he does not establish the ever-normal granary.

Let us assume that the average current price that year is higher than the parity, and he does not establish the ever-normal granary. Suppose the next year there is a short crop, less than the domestic requirements, due to a drought or flood. Where is the ever-normal granary and its ability to meet that very emergent situation which the Secretary has been discussing so many times, and which could be met if the language remained the same as that on page 18?

I merely offer this suggestion to those who are trying to follow the ideals of the Secretary of Agriculture, who has made so much of the ever-normal granary. In my opinion, it would destroy his pet object and defeat his objective. I think the illustration makes the matter plain. It might easily be applied to 1938; it is too late to apply it to 1937. What he wants to do and what is intended by the original definition, and that found on page 70, is to carry over from year to year a sufficient quantity of wheat or corn to meet an emergency situation due to drought or flood. That is the purpose of an ever-normal granary, if it has any. It is a commendable purpose. I doubt its efficacy. I fear it will ever supply a storage that will depress the price level. But if the Secretary's purpose is to be carried out, I say in the greatest sincerity that in my opinion his idea would be dynamited by this particular language found on page 18, which is wholly inconsistent with the language contained on page 70. I submit that to the Senators sponsoring the bill. They are writing the bill. If they desire to have it stand in this way, very well; I am content in pointing this matter out.

Mr. McGILL. Mr. President, in my judgment there is no conflict. If the price level as it appears to the Secretary of Agriculture at the beginning of a marketing year should be above parity, it would doubtless be due to a shortage of the commodity involved, there would not be a surplus, and no ever-normal granary should be established under such circumstances. The definition we have under consideration limits the amount of wheat or corn. The percentage is a limitation. The truth is, as shown in the hearings—and I think this is the reason for this provision, as disclosed from testimony given by the Secretary and others from the Department of Agriculture—there never has been such a thing in the United States as a shortage of wheat, even though there were 4 years of drought. There is no necessity for building a great surplus, or anything of that sort. I have understood all along that it is the view of the Senator from Oregon that such a

surplus should not be created. So far as drought, flood, and other conditions are concerned, in this country a normal supply of wheat has always been provided.

Mr. POPE. Mr. President, will the Senator from Kansas yield?

Mr. McGILL. I yield.

Mr. POPE. I should think the Senator would desire to modify his statement by saying there has never been a shortage of white wheat. Sometimes there is a shortage of hard wheat, which competes with the Canadian wheat, due to drought, and that is why the imports from Canada have been larger in the last few years.

Mr. McGILL. As a rule, there has always been a shortage of durum wheat in this country. I realize that durum wheat has always been imported, and it is the only class of wheat that is imported. The wheats of which we produce a large supply we do not import. I was making my statement based upon testimony of individuals who came before the committee from the Department of Agriculture. We do not have a shortage of wheat except of durum wheat, which is used for blending purposes. That is the only kind imported, and so long as we have a shortage of that commodity I assume it will be difficult to establish an ever-normal granary as to that commodity.

Mr. McNARY. Mr. President, will the Senator yield?

Mr. McGILL. I yield.

Mr. McNARY. I am submitting this matter for the consideration of the Senators sponsoring the bill. In the definition of the ever-normal granary you want 10 percent in addition to the normal supply, which is the 10-year average. That is the purpose of the ever-normal granary.

Mr. McGILL. That is a limitation; it shall not be more than that.

Mr. McNARY. More than the 10 percent.

Mr. McGILL. Yes.

Mr. McNARY. But there must be a normal supply. I think if the Senator will give this careful thought he will arrive at the conclusion that you destroy the idea on page 18 when you do not maintain and provide for a normal granary if the current price happens to be higher than parity. I say with the greatest of candor I think if the Senator will reflect he will see that the amendment would destroy the ever-normal granary in years when the parity price would be under the current price which might be caused by a drought or short crop. If the Senators are satisfied, I shall be content.

Mr. McGILL. I am quite satisfied. I have given this matter much consideration. We do provide for a normal supply, and in the event we shall have to exceed 10 percent more than that, 10 percent of it may be put away in the ever-normal granary.

Mr. POPE. Mr. President, I think we should recognize the value of the argument of the Senator from Oregon in connection with this matter; but the committee felt that we would not be successful if we attempted to establish an ever-normal granary when the price was at parity or above. We thought that it was more important than the enlarged ever-normal granary suggested by the Senator from Oregon.

Mr. McGILL. Mr. President, the only element which in all human probability would bring to pass a price above parity would be that there would not be a sufficient quantity on hand to establish an ever-normal granary.

Mr. POPE. Yes; under ordinary circumstances.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

The PRESIDING OFFICER. The clerk will report the next amendment.

Mr. ELLENDER. Mr. President, I renew my request to revert to page 68, subsection (b), and ask to have my amendment to that section stated.

The PRESIDING OFFICER. Is there objection to the request submitted by the Senator from Louisiana? The Chair hears none. The amendment to the amendment will be stated.



The LEGISLATIVE CLERK. On page 68, line 16, after the word "cotton", it is proposed to strike out the comma and the words "tobacco, and rice."

Mr. ELLENDER. I may state, Mr. President, that there was objection to that amendment on yesterday, and a request was made that it go over. The reason why we are proposing to strike out the words "tobacco and rice" from the subsection presently under consideration is that there is no necessity for defining the normal yield of those two commodities. By referring to the tobacco and rice sections it will be seen that allotments of tobacco and rice are made on a poundage basis and not on an acreage basis, whereas in the case of cotton the allocation from the county to the farm is made on an acreage basis. That is the reason it is not necessary to have a definition for normal yield of tobacco and rice included in the bill.

The PRESIDING OFFICER. The question is on the amendment of the Senator from Louisiana [Mr. ELLENDER] on page 68, lines 16 and 17.

The amendment to the committee amendment was agreed to.

Mr. HAYDEN. I move to further perfect the text of the Committee amendment by inserting after the word "any" in line 17, page 68, the words "State or" so that it will read:

"Normal yield" per acre of cotton for any State or county shall be the weighted average—

And so forth.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Arizona [Mr. HAYDEN] on page 68, line 17, to the amendment of the committee.

The amendment to the amendment was agreed to.

Mr. HAYDEN. Then on the same page, line 20, the word "title" should be stricken, and the word "act" inserted, so it will read:

Computation authorized in this act.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Arizona on page 68, line 20, to the amendment of the committee.

The amendment to the amendment was agreed to.

Mr. HAYDEN. Mr. President, the RECORD will show that I asked that paragraph (b) on page 34 be passed over until the definitions of "normal production" and "normal yield" on pages 68 and 69 were adopted. The definitions having been perfected and agreed to, I now ask to return to page 34.

The PRESIDING OFFICER. Just a moment. The question now is on the adoption of the committee amendment on page 68, being subsection (b), as amended.

The amendment, as amended, was agreed to.

Mr. HAYDEN. Mr. President, I now ask to return to page 34, paragraph (b), which was passed over for the reasons that I have just stated, so that an amendment may be offered to that paragraph which I am advised will be accepted by the committee.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 34, line 23, after the period, it is proposed to insert:

*Provided, that the marketing quota of cotton apportioned to any State shall not be less than 70 per centum of the normal yield for acreage planted to cotton in such State in 1937.*

Mr. HAYDEN. Mr. President, I may say to the Senate that this amendment is not of my own devising. A number of Senators from States seriously affected by the harsh and inflexible direction given to the Secretary of Agriculture by the terms of the bill relating to cotton have been conferring together under the leadership of the Senator from New Mexico [Mr. HATCH], who is a member of the Senate Committee on Agriculture. His colleague [Mr. CHAVEZ] and my colleague [Mr. ASHURST], the Senators from Missouri [Mr. CLARK and Mr. TRUMAN], the Senators from Arkansas [Mrs. CARAWAY and Mr. MILLER], the Senators from California [Mr. JOHNSON and Mr. McADOO], and the Senator from Tennessee [Mr. McKELLAR] have all collaborated in an effort to find some way to improve the bill wherein it is injurious to our

States. Many different plans have been given consideration, and after much thought and study, by a process of trial and error, we have agreed that the amendment now proposed is the best practical means that can be devised to meet the situation in fairness to all States concerned in the growing of cotton. The formula specified in the amendment is the only one we could find which did not add much more than 500,000 bales of cotton to the total crop.

The bill proposes to control the growing of such crops as cotton, tobacco, and rice by the establishment of national quotas for each crop, which shall be divided, first, into State quotas; second, county or district quotas; and finally to farm quotas. Each one of these quotas is based upon a formula. There is nothing sacred about any such formulas because they are all man-made, and human beings are prone to make errors.

It is impossible for any man or group of men to adopt a formula for the control of any crop grown in many States that will be perfectly fair and equitable to each and every State affected by it. The fact that no one is infallible and that there must be exceptions to every rule was clearly recognized by the Senate Committee on Agriculture in reporting this bill, as is shown by numerous limitations and qualifications which are to be found throughout the measure.

The text of this amendment was submitted to the Department of Agriculture to determine exactly what its effect would be. I have here a table which I shall place in the RECORD which shows that under the bill the total allotment of cotton to all States will be 10,090,000 bales, and that if this amendment is adopted the total allotment of cotton to all States will be 10,483,000 bales.

By adopting the 5-year weighted average yield of cotton per acre produced in the various States as a factor in determining the State quotas, the amendment aids those States which are so seriously injured by the terms of the bill which makes normal production the only basis of computation. The effect of the amendment will be to add the following number of bales to the quotas of the following States:

To South Carolina, 34,000 bales. To Georgia, 24,000 bales. To Florida, 2,000 bales. To Missouri, 53,000 bales. To Tennessee, 12,000 bales. To Alabama, 5,000 bales. To Mississippi, 63,000 bales. To Louisiana, 14,000 bales. To Arkansas, 59,000 bales. To New Mexico, 13,000 bales. To Arizona, 47,000 bales. To California, 194,000 bales.

Making a total of about a half million bales, as I have indicated.

I have submitted the departmental justification for this amendment to a number of members of the committee, and it is my understanding that the committee is willing to have the amendment adopted.

Mr. BANKHEAD. Mr. President, the committee felt that some consideration should be given to the trends in production; and in subsection (b) on page 34, the subsection the Senator referred to, is contained the statement "with adjustments for trends in acreage during this period." That should be taken into consideration.

In the beginning, in considering the bill as reported, the committee recognized that there was a situation with reference to trends in production; and they included in this section, which the Senator from Arizona is now amending, the provision "with adjustments for trends in acreage during this period" with the thought that such trends should be taken into consideration. Of course, we all recognize that it was a difficult responsibility to place upon the Secretary to figure what consideration should be given and what weight should be given, and how it could be adjusted. This formula has been worked out, which takes it fully into account. With the addition of all these acres, the changes are made to it largely with the adjustment or trends in acreage during this period. I know that some of my associates think that the words "with adjustments for trends in acreage during this period" should be eliminated.

Mr. HAYDEN. I shall modify the amendment by providing that the words "with adjustments for trends in acreage during this period" be stricken, and then add the proviso contained in the amendment now at the desk. I thoroughly



agree with the Senator from Alabama that it is much better to define in the bill by act of Congress just what the law shall mean rather than to leave it to the judgment of the Secretary of Agriculture as to what adjustment may be made for trends.

The whole purpose of the amendment is to take into consideration trends in acreage while the normal production definition brings about fairly equitable results in the sections of the country where the acreage planted to cotton has been reasonably uniform during the 5-year period, it does not not cover adequately the principle of trends in acreage which the committee sought to recognize in formulating the bill. On the other hand, where yields per acre have been fairly uniform, irrespective of the planted acreage, a more satisfactory result is obtained in keeping with acreage trends when the normal yield is applied to the 1937 acreage.

The 1937 yield is not asked for as a factor because obviously it is abnormal. A fair consideration of normal yield in relation to normal production brings about a recognition of the result of trends in acreage which cannot otherwise be established. I am therefore perfectly willing to modify my amendment to conform with what the Senator from Alabama has suggested.

Mr. BANKHEAD. That is entirely agreeable. I have consulted quite a number of my colleagues, and I have heard no objection.

The PRESIDING OFFICER. Will the Senator from Arizona state the modification he desires to make of the amendment?

Mr. HAYDEN. In lines 22 and 23, on page 34, strike out the words "with adjustments for trends in acreage during this period" and insert the proviso that I have offered, which is now at the clerk's desk.

The PRESIDING OFFICER. The question is on the amendment, as modified by the Senator from Arizona, to the amendment of the committee.

The amendment, as modified, to the committee amendment was agreed to.

Mr. HAYDEN. I ask unanimous consent to have printed in the RECORD, at the conclusion of my remarks, a table prepared by the Department of Agriculture showing the effect of the adoption of this amendment.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

*Cotton statistics relating to S. 2787*

State	Acreage in cultivation July 1, 1937	5-year average yield <sup>1</sup> per acre, 1933-37	Production, 478-pound bales (column (1) multiplied by column (2) divided by 478)	Production, 70 percent of column (3)	Allotment, S. 2787	Increase of column (4) over allotment, S. 2787
	(1)	(2)	(3)	(4)	(5)	(6)
Virginia	64	272	26	25	28	3
North Carolina	1,109	303	703	492	505	13
South Carolina	1,689	264	933	653	619	34
Georgia	2,653	237	1,315	921	897	24
Florida	118	156	39	27	25	2
Missouri	537	340	382	267	214	53
Tennessee	976	254	519	363	351	12
Alabama	2,634	232	1,279	895	890	5
Mississippi	3,446	264	1,903	1,332	1,269	63
Louisiana	1,561	238	777	544	530	14
Texas	12,896	147	3,966	2,776	2,803	27
Oklahoma	2,530	118	625	438	521	83
Arkansas	3,096	218	1,412	988	929	59
New Mexico	144	441	133	93	80	13
Arizona	282	419	247	173	126	47
California	618	535	692	454	290	194
Others <sup>2</sup>	30	272	17	12	12	5
Total	34,383	202.9	14,978	10,483	10,090	393

<sup>1</sup> 1937 planted yield based on Nov. 1 crop report.

<sup>2</sup> Includes Illinois, Kentucky, and Kansas.

The PRESIDING OFFICER. The question now is on paragraph (b) on page 34, as amended.

The amendment, as amended, was agreed to.

Mr. OVERTON. Mr. President, I ask the Senate to return to the consideration of the committee amendments on pages 34 and 35, subsections (b) and (c), which were passed over the other day; and I desire to offer an amendment to paragraph (1) of subsection (c). It is on page 35, line 5.

I ask that the amendment be stated.

Mr. BYRNES. Mr. President, before that is done I should like to know the status of subsection (c); whether it was adopted, or whether by unanimous consent it was passed over.

The PRESIDING OFFICER. The parliamentary clerk advises the Chair that subsection (c) went over.

Mr. BYRNES. Mr. President, a further parliamentary inquiry. Is subsection (c) now before the Senate and open to amendment?

The PRESIDING OFFICER. The Senator from Louisiana [Mr. OVERTON] has asked that the Senate revert to subsection (c) for the purpose of considering amendments thereto.

Mr. BAILEY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. BAILEY. Have we now passed over the cotton section of the bill? Have we finished the consideration of the cotton section of the bill?

The PRESIDING OFFICER. The present occupant of the Chair is advised that subsections (b) and (c) on pages 34 and 35 were passed over. The Senate has just adopted paragraph (b) on page 34, as amended.

The Senator from Louisiana [Mr. OVERTON] is now asking that the Senate recur to paragraph (c), beginning at the bottom of page 34, for the purpose of considering an amendment.

Mr. BAILEY. Mr. President, I have an amendment to that portion of the bill which relates to cotton, and I wish to put it forward at the proper time.

The PRESIDING OFFICER. Is there objection to recurring to paragraph (c), found at the bottom of page 34, the cotton section?

Mr. BYRNES. Mr. President, subsections (c) and (d) were passed over. What I desire to know is whether, by the motion of the Senator from Louisiana, the Senate is now to act upon those two subsections. I desire to ask that action be not taken at this time, because I have asked for information as to the effect upon the various States of the language contained in subsections (c) and (d). I am interested only in having final action postponed until I secure that information.

Mr. OVERTON. Mr. President, the Senate the other day passed over the amendments represented by subsections (b) and (c). Now we have returned to the committee amendment in subsection (b), and have amended it. I wish to offer an amendment to paragraph (1) of subsection (c). I should like to have that amendment considered, and then the Senator from South Carolina can obtain such information in the light of that amendment to the committee amendment, in the event that it shall be adopted. I think it will be adopted.

Mr. McKELLAR. Mr. President, the Senator would be willing to have the paragraph go over?

Mr. OVERTON. I think my amendment should be adopted, and then the Senator from South Carolina would be in a better position to get the information he desires as to the effect of subsection (c) upon the allocations to the different counties and the different farm units.

Mr. BYRNES. Mr. President, I have no objection to the unanimous-consent request of the Senator from Louisiana. I am asking only that final action as to the paragraph be not taken at this time.

Mr. OVERTON. I have no objection to that request.

Mr. BONE. Mr. President, will the Senator from Louisiana yield?

Mr. OVERTON. I yield.

Mr. BONE. I should like to ask the Senator from Idaho [Mr. POPE] a question, if I may, about one part of the bill. We have passed it, but I should like to recur to it merely for the purpose of obtaining a little information.

Mr. OVERTON. Would the Senator have any objection to withholding his request until I can dispose of this amendment? It will take only a minute.



Mr. BONE. Very well.

The PRESIDING OFFICER. The clerk will state the amendment offered by the Senator from Louisiana to the amendment reported by the committee.

The LEGISLATIVE CLERK. On page 35, line 5, after the word "State", it is proposed to insert a colon, and the following:

*Provided, however, That the lands devoted to crops for market other than cotton shall be excluded in determining tilled lands under this subsection (1).*

Mr. OVERTON. Mr. President, as the bill presently reads, without this amendment being adopted, the Secretary of Agriculture would take into consideration as a basis for making allocations among the different counties the proportion that the land devoted to tilled lands on cotton farms in the county is of the land devoted to tilled lands on all cotton farms in the State. "Tilled land" is elsewhere defined in the bill to be "the acreage devoted to soil-depleting row crops and all other soil-depleting feed crops." If an allocation as to acreage is to be paid upon tilled land under that definition, then the Secretary would have to take into consideration land devoted to peanuts, land devoted to sugar, land devoted to rice, land devoted to any cash crop. The purpose of my amendment is to restrict the Secretary, in considering the allocations to be made in reference to cotton, to lands that are tilled for cotton home-consumption products, and therefore to exclude from the proportion suggested by the bill as it now reads all lands that are devoted to other cash crops besides cotton.

If that amendment is not adopted, then an allocation would be made, for instance, to a sugar county far beyond the cotton acreage which that sugar county would require, and the surplus allotment would be "frozen;" and the same thing would be true with reference to peanut counties, and with reference to wheat counties.

The Secretary of Agriculture, in his letter addressed to the Senator from Kansas [Mr. McHILL] and the Senator from Idaho [Mr. POPE], made the following statement in reference to the feature of the bill which I am trying to correct by the amendment:

The method of acreage allotments for cotton could be revised so as to avoid difficulties and inequalities. As now drawn, the bill would result in the assignment of acreage allotments to many farms where they could not be used economically. It would tend to freeze cotton production in uneconomic areas. It would also tend to force all farmers in a county to adopt the same cropping system. A farmer who produces other cash crops, as tobacco, rice, peanuts, potatoes, wheat, or truck crops, would receive just as large a cotton allotment as a farmer whose only cash crop is cotton. Hence the bill now tends to discriminate against the best cotton areas and against farmers who have to depend entirely or almost entirely on cotton.

Mr. BILBO. Mr. President, will the Senator yield?

Mr. OVERTON. I yield to the Senator from Mississippi.

Mr. BILBO. In making these allotments, the Senator says that only such lands as are utilized in growing cotton for the market shall be considered. The Senator does not mean to eliminate lands which will be cultivated for home use, for the use of the farmer?

Mr. OVERTON. The Senator is correct in that interpretation.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. OVERTON. I yield to the Senator from Tennessee.

Mr. McKELLAR. If this amendment should not be adopted the bill, as it stands, would change very largely the amount of cotton grown in the various counties and various States; would it not?

Mr. OVERTON. It would.

Mr. McKELLAR. And it would bring about a different relationship, and one which ought not to exist, because it would "freeze" lands in many counties which heretofore have planted cotton?

Mr. OVERTON. It would "freeze" allocations that are made to counties that the counties never would utilize. The purpose of the amendment is to prevent that.

Mr. BYRNES. Mr. President—

The PRESIDING OFFICER. Does the Senator from Louisiana yield to the Senator from South Carolina?

Mr. OVERTON. I yield.

Mr. BYRNES. I desire to say, first, that I am in favor of the Senator's amendment. I should like to know whether the Senator has ascertained the figures of the allotments that would result from the adoption of the amendment.

Mr. OVERTON. No; I will say to the Senator from South Carolina that I have not obtained those figures. I am simply presenting the amendment on its merits without having obtained any statistics on the subject.

I think that is all I have to state in regard to this amendment. Immediately following it I have another amendment on page 36, worded just like this amendment, but applying to the farm units instead of to the counties.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Louisiana to paragraph (1) of subsection (c) on page 35.

The amendment to the amendment was agreed to.

Mr. OVERTON. Mr. President, in order to complete the whole plan, I have a similar amendment on page 36, line 6, which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Louisiana to the amendment reported by the committee will be stated.

The LEGISLATIVE CLERK. On page 36, line 6, after the words "in such year", it is proposed to insert a colon and the following:

*Provided, however, That the lands devoted to crops for market other than cotton shall be excluded in determining tilled lands under this subsection (2).*

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Louisiana to paragraph (2) of subsection (d) on page 36.

The amendment to the amendment was agreed to.

Mr. BYRNES. Mr. President, I understood from the Chair that subsection (d) had been temporarily passed over.

The PRESIDING OFFICER. The Chair probably was misinformed. The parliamentarian advises the Chair that subsection (d) was agreed to when reached in its regular order.

Mr. BYRNES. Then, I move to reconsider the vote by which subsection (d) was agreed to.

The PRESIDING OFFICER. The Senator from South Carolina asks unanimous consent that the vote by which the Senate adopted subsection (d), appearing on page 35, may be reconsidered for the purpose of offering additional amendments. Is there objection?

Mr. BILBO. Mr. President, will the Senator from South Carolina yield to me?

Mr. BYRNES. I shall be glad to yield.

Mr. BILBO. Will the Senator agree to leave that motion pending? Before we leave subsection (c), I desire to offer an amendment to clarify subsection (3) on page 35. It does not change the sense of the subsection, but is just to clarify it.

Mr. BYRNES. Mr. President, I understood from the Chair that subsection (c) has not been finally disposed of.

Mr. BILBO. I know it; but I want to perfect it before we leave it.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from South Carolina [Mr. BYRNES]? The Chair hears none, and the vote by which the Senate agreed to subsection (d) on page 35 is reconsidered, and the section is open to amendment.

Mr. BYRNES. Mr. President, I move to amend the committee amendment on page 35, line 14, by striking out the word "average" and inserting in lieu thereof the word "normal."

The effect of that amendment is to have the language on page 35 accord with the definition which appears at a subsequent place in the bill. The Senator from Alabama [Mr. BANKHEAD], who has been in charge of this particular section, is in favor of having the several provisions of the bill accord in this particular.



The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from South Carolina to the amendment reported by the committee, designated as subsection (d) on page 35.

The amendment to the amendment was agreed to.

The amendment, as amended, was agreed to.

Mr. BILBO. Mr. President, I offer the amendment which I send to the desk in lieu of subsection (3) under subsection (c) on page 35.

The PRESIDING OFFICER. The amendment offered by the Senator from Mississippi to the amendment reported by the committee will be stated.

The LEGISLATIVE CLERK. On page 35, in lieu of lines 8 to 11, it is proposed to insert the following:

(3) The proportion that the number of families composed of two or more persons actually residing annually on and actually engaged in the production or growing of cotton in the county is of the total number of such families in the State.

Mr. BILBO. Mr. President, the amendment is offered as a matter of correction and clarification. It does not change the sense of the provision or the attempted expression of the sense. I desire to perfect the provision before we finally consider it as adopted.

Mr. McKELLAR. Mr. President, I ask the Senator to state what will be accomplished by subsection (3), either as it is now or as it is proposed to be amended.

Mr. BILBO. The real purpose is, in making allocations to the counties which will afterward be allotted to the farms of the counties, to take care of the individual farm units. That should be an element of consideration in making the allotments, because it is the prime purpose of the counties and of the entire program to look after the welfare of the individual families in preference to those who are engaged in farming as a commercial undertaking. That is one of the bases upon which the allotments should be made to others included in this formula. I desire to perfect this provision so that when we go back to it and consider it finally for adoption, subsection (3) will say, in the language I have offered, what we really mean.

Mr. McKELLAR. Mr. President, will the amendment have the effect of "freezing" lands in any other counties of the State?

Mr. BILBO. Absolutely not; it will help "unfreeze" them.

Mr. ELLENDER. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Mississippi yield to the Senator from Louisiana?

Mr. BILBO. I do.

Mr. ELLENDER. What effect will the Senator's amendment have on those counties in which there are large cities? Will it in any manner increase the amount of land allotted under this bill to such counties for the production of cotton?

Mr. BILBO. Oh, no! This part of the formula upon which the allocation is to be made refers to those "actually residing annually on and actually engaged in the production or growing of cotton."

Mr. ELLENDER. But why is it necessary to take into consideration all the families throughout the State in order to make allocations?

Mr. BILBO. The amendment clarifies that matter. The authorities are to take into consideration the families throughout the State who actually live on and are actually engaged in the production of cotton. The families who live outside are not to be considered at all.

Mr. ELLENDER. The amendment excludes the city dwellers?

Mr. BILBO. It excludes them. The amendment is so written to take care of those who actually live on cotton lands and produce cotton on them.

Mr. OVERTON. Mr. President, I should like to ask what effect the amendment would have on large cotton operations where the owner of the plantation might take families composed of two or more persons and put them on 10-acre or 12-acre or 15-acre lots of the plantation?

Mr. BILBO. The Senator's question uncovers the real purpose of the amendment. I care not how large the farm

may be, or how many acres may be cultivated; if the owner is willing to build a house and put a family on the land and keep them there year after year engaged in the production of cotton, it should be the purpose of Congress to take care of that individual unit, whether it is on the land of somebody else or not. It is a family, and the Government ought to take care of it. By so doing we shall at least keep that family off the relief rolls.

Mr. OVERTON. It would make it possible to tax a plantation?

Mr. BILBO. Yes.

Mr. BONE. Mr. President, I desire to ask the Senator from Idaho [Mr. POPE] a question about the language on page 19 of the bill. I am at a disadvantage because I have not heard all the debate on the bill, having been compelled to be absent from the Senate. In line 7 is found a reference to dairy practices, tied in with soil-depletion base acreage, and apparently the dairy practices are to be prescribed in a contract offered the farmers. In the West are many dairies, and it may be this has all been explained to the satisfaction of the Senate.

I wish to inquire if there is any other reference in the bill that amplifies the language or makes it more explicit or throws any light on it, or is this merely loose language in the bill? Are there any limitations? Is the Secretary circumscribed in any way in the type of contract he may tender the farmer with respect to dairying? What is to be done about dairying? In my State dairying is quite an important business.

Mr. POPE. Mr. President, we have had a great deal of discussion of that section which refers to dairying, more perhaps than with reference to any other section of the bill. This particular provision was incorporated in the bill at the request of dairymen who are interested in giving to the Secretary power to prevent an increase in dairy herds as a result of crops grown on soil-depleted acreage.

Mr. BONE. I know there was a great deal of discussion about it in the House, because I saw it in the RECORD. I was not aware the subject had been thoroughly canvassed in the Senate.

Mr. POPE. Dairy amendments are pending, one offered by the Senator from New York [Mr. COPELAND], one by the Senator from Oregon [Mr. McNARY], and I have one or two which I intend to offer. I think it will take some little time to clear them up, but they are all amendments intended to clarify the dairy situation.

Mr. BONE. Is there any other language in the bill referring to these provisions respecting the dairy business?

Mr. COPELAND. Mr. President, will the Senator yield to me?

Mr. BONE. I am glad to do so. I merely want some light on this matter.

Mr. COPELAND. There is a unanimous-consent agreement to the effect that at the proper time all the dairy amendments and the whole dairy problem shall be considered. I think I know what the Senator has in mind, and I am in great sympathy with him. I think we are on the way toward an adjustment of the matter, and I hope he will bear with the program as laid down.

Mr. BONE. I shall be very happy to do so.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Mississippi [Mr. BILBO] as modified.

Mr. McKELLAR. Mr. President, the Senator from Mississippi has a right to perfect his amendment, but as I understand it, this section is to be passed over. I desire to get some additional information from the Department before it is finally disposed of.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Mississippi to the committee amendment.

The amendment to the amendment was agreed to.

Mr. BARKLEY. Mr. President, I wish to make a suggestion to Members of the Senate in the interest of orderly procedure. Various sections and subsections of the bill have been passed



over, of course, with the understanding that they would be taken up later. It seems to me it would be more orderly for us to go through the bill and finish reading it for committee amendments and pass upon them, and then go back and clear up all the amendments that have been passed over. I think that would be the more orderly procedure, and it would certainly be in the interest of clarity, because if we go back and take up one section that has been passed over and then take up a new amendment of the committee, and then go back to another section passed over, it is going to be difficult to understand which have been adopted and which have been rejected. I think we had better go through the bill and finish consideration of the committee amendments, and then take up in order such amendments or sections or subsections as may have been passed over.

Mr. MILLER. Mr. President, that would probably be the proper procedure, but as to the rice section, I desire permission to call up an amendment that was passed over yesterday and which was offered in an effort to clarify that section.

Mr. BARKLEY. I have no objection to that, but if we do it as to the rice title, we will have to do it as to tobacco, cotton, and other things which have gone over. I had hoped we might take up the amendments in an orderly way, beginning with the next committee amendment, and conclude consideration of committee amendments, and then go back and in an orderly way consider amendments which have been passed over. If the Senator for any reason wants to consider his amendment now, I have no objection.

Mr. MILLER. I have a very good reason. We are trying to work out the situation.

Mr. BARKLEY. Very well.

Mr. MILLER. Mr. President, I ask unanimous consent to recur to page 51 of the bill, the rice section, subsection (c), at the bottom of page 51, all of page 52, and down to and including line 20, on page 53. I offer the amendment which I send to the desk.

The PRESIDING OFFICER. Is there objection to the request submitted by the Senator from Arkansas? The Chair hears none, and the clerk will report the amendment submitted by the Senator from Arkansas.

The amendment was, on page 51, line 21, to strike out "persons producing rice" and insert "producers"; in line 25 to strike out "person" and insert "producer"; on page 52, in line 2, to strike out "person" and insert "producer"; in line 5 to strike out "person" and insert "producer"; in line 7 to strike out "person" and insert "producer"; in line 9 to strike out "person" and insert "producer"; in line 11 to strike out "person" and insert "producer"; in line 13 to strike out "persons" and insert "producers"; in line 19 to strike out "person" and insert "producer"; in line 22 to strike out "person" and insert "producer"; in line 25 to strike out "persons" and insert "producers"; on page 53, in line 6, to strike out "persons" and insert "producers"; in line 10 to strike out "persons" and insert "producers"; in line 14 to strike out "person" and insert "producer"; and in line 16 to strike out "person" and insert "producer"; so as to make the section read:

(d) The Secretary shall provide, through local and State committees of farmers, for the allotment of each State apportionment among producers in such State. Such allotment with respect to the marketing years commencing August 1, 1937, and August 1, 1938, shall be made on the basis of the average of (1), if such a base was established, the rice base production established for each such producer under the 1937 agricultural conservation program; (2) the average amount of rice produced by each such producer during the 5-year period 1932-1936, including the normal production of any acreage retired or diverted from rice production by such producer during such years under agricultural adjustment and conservation programs; and (3) the amount of rice produced by each such producer in 1937, including the normal production of any acreage diverted from rice production by such producer during such year under the agricultural conservation program, with such adjustments as may be necessary in order that the allotment for each producer shall be fair and reasonable as compared with allotments established for other producers having similar conditions with respect to the following: Land, labor, and equipment available for the production of rice; crop-rotation practices, soil fertility, and other physical factors affecting the production of rice. Such allotment for subsequent years shall be

made on the basis of the larger of (1) the average amount of rice produced by each producer during the five-year period upon which State apportionments pursuant to subsection (c) are based for such year, or (2) the allotment made to such producer for the preceding year, with such adjustments as may be necessary in order that the allotment for each producer shall be fair and reasonable as compared with allotments established for other producers having similar conditions with respect to the following: Land, labor, and equipment available for the production of rice; crop-rotation practices, soil fertility, and other physical factors affecting the production of rice: Provided, That not exceeding 3 percent of each State apportionment shall be available for allotment among producers who, for the first time in 5 years, produce rice to be marketed in the marketing year next succeeding the marketing year in which such State apportionment is made, such allotments to be made upon such basis as the Secretary deems fair and just and will apply to all producers to whom an apportionment is made under this provision uniformly within the State on the basis or classification adopted. In determining the average amount of rice produced by any producer during any 5-year period there shall be omitted from such computation any year in which the amount of rice produced by such producer is less than 75 percent of the average amount computed by including such year, if such deficiency in production for such year was due to damage caused by storms, salt water, or other uncontrollable acts of nature.

The PRESIDING OFFICER. The question is on the adoption of the amendment of the Senator from Arkansas to the amendment of the committee.

The amendment to the amendment was agreed to.

Mr. HAYDEN. Mr. President, I want to make an inquiry in regard to that subsection. I notice in the tobacco section a provision for 5 percent of the national quota for tobacco to be left for apportionment by the Secretary of Agriculture to new lands. Under this section, not exceeding 3 percent of the State apportionment shall be available within the State for apportionment to new lands. That would mean that anybody outside of the State now growing cotton who wanted to grow rice could not do so. Would it not be wise to have the same provision for rice as for tobacco, to give the Secretary some little leeway in that respect? Instead of "not exceeding 3 percent of each State apportionment", make it read "3 percent of the national apportionment available for quota among persons for the first time in 5 years producing rice." That would be a provision which would make the rule uniform as to tobacco and rice.

Mr. ELLENDER. Mr. President, I do not know of any objection to that amendment.

Mr. HAYDEN. If the committee has no objection, I would like to perfect the section, on page 53, line 5, by striking out "each State" and inserting "the national"; and in line 8, by striking out "State" and inserting "national"; and in line 12, by striking out "State" and inserting "United States."

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 53, in line 5, it is proposed to strike out "each State" and insert "the national"; in line 8, to strike out "State" and insert "national"; and in line 12, to strike out "State" and insert "United States", so as to read:

: Provided, That not exceeding 3 percent of the national apportionment shall be available for allotment among persons who, for the first time in 5 years, produce rice to be marketed in the marketing year next succeeding the marketing year in which such national apportionment is made, such allotments to be made upon such basis as the Secretary deems fair and just and will apply to all persons to whom an apportionment is made under this provision uniformly within the United States on the basis or classification adopted.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Arizona to the committee amendment.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

Mr. BAILEY. Mr. President, have we now returned to that portion of the bill which relates to cotton?

The PRESIDING OFFICER. The regular order has been called for, and the next amendment to be reported by the clerk is on page 70, line 1. Does the Senator from North Carolina desire to refer to that section or subsection?



Mr. BAILEY. I have an amendment to offer to the cotton section, and I have been waiting with the understanding that section (c) has not been adopted.

The PRESIDING OFFICER. It has not been adopted. Certain amendments were made to that section, but as amended, it has not been approved.

Mr. BARKLEY. Mr. President, is not the Senator willing to comply with the suggestion I made that we take up such amendments as have been passed over, at a time when we shall have finished consideration of the committee amendments?

Mr. BAILEY. Does the Senator mean regardless of whether we are amending the committee amendment or not?

Mr. BARKLEY. I am talking about amendments which have been passed over.

Mr. BAILEY. I am willing to do that, but I was afraid I would lose my rights while we are dealing with the committee amendments. Under the rule, I have to offer my amendment while the committee amendment is pending. I want to have the understanding clear that we can offer amendments to the committee amendments after we get through with the regular order.

Mr. BARKLEY. That applies to all amendments that have been passed over. Various amendments have been offered to sections and subsections of the cotton title and other titles of the bill that were passed over and not disposed of.

Mr. BAILEY. Would that preclude me from offering an amendment later?

Mr. BARKLEY. When we take up amendments to the sections which have been passed over, any amendment may be offered. The suggestion I make is that instead of going back and taking up one amendment that has gone over, we should go through the bill, complete consideration of the committee amendments, and then go back to the beginning and take up the first amendment passed over and proceed seriatim until we dispose of those amendments which have been passed over. Any amendment to any of the sections passed over that would be in order now would be in order then.

The PRESIDING OFFICER. The clerk will state the next amendment of the committee.

The next amendment of the committee was, on page 70, after line 6, to insert the following:

15. "Tobacco" means each of the kinds of tobacco listed below, comprising the types specified as classified in Service and Regulatory Announcement No. 118, of the Bureau of Agricultural Economics of the Department of Agriculture:

Flue-cured tobacco, comprising types 11, 12, 13, and 14;  
Fire-cured tobacco, comprising types 21, 22, 23, and 24;  
Dark air-cured tobacco, comprising types 35, 36, and 37;  
Burley tobacco, comprising type 31;  
Maryland tobacco, comprising type 32; and  
Cigar-filler and cigar-binder tobacco, comprising types 41, 42, 43, 44, 45, 46, 51, 52, 53, 54, and 55.

The provisions of this act shall apply to such kinds of tobacco severally.

Mr. TYDINGS. Mr. President, line 19 contains the words "Maryland tobacco, comprising type 32." There is a situation in connection with this type of tobacco which I think if presented to the Senate would indicate that it should not be included in the bill. I have been in touch with the tobacco farmers of my State in the last 2 or 3 days in an endeavor to ascertain the conditions surrounding this particular tobacco, and I am advised that it does not come in competition with the ordinary tobacco grown; that it is mixed in with other tobacco in order to keep a cigarette from going out once it is lit. The tobacco burns constantly, in other words, and without this quality of tobacco a cigarette will not continue burning after a smoker once lights it.

Mr. NORRIS. Mr. President, will the Senator yield?

Mr. TYDINGS. Let me complete my statement, and I will gladly yield.

The difficulty is that we are not supplying as much of this tobacco as the domestic manufacturers want. They are asking us to increase our acreage, because they have not enough of the tobacco to mix with other tobaccos in order to get the quality in a burning cigarette which they desire.

The law of prices works backward, one might say, in relation to this tobacco. In other words, if we could supply more of it, the manufacturers would buy up our entire crop, and there would be a better price; but because we have it in such small quantities it is not feasible for them to use it, and consequently we are shipping most of it to France, where it is being sold. For a number of years the entire stock of the tobacco farmers of Maryland was sold to France, practically none of it in this country; and everyone knows that the French price for tobacco is not always the highest.

There are only five or six small counties in the State of Maryland in which tobacco is raised. Because of soil and climatic conditions, this type of tobacco is not easily produced in other places. The growers in Maryland can get more money for their tobacco if they can raise enough to make it attractive to any one of the large cigarette manufacturers, but up to the present time they have not been able to furnish the amount necessary.

The Southern Maryland Tobacco Growers' Association is endeavoring this year to increase the acreage, so that they can supply the tobacco on the domestic market, and, as I stated, it does not come in primary competition with ordinary tobacco. A little bit of it is used in each cigarette to give it a burning quality.

Under the circumstances, I do not think the farmers in my State will be helped, or that the farmers throughout the country will be helped, by making this tobacco subject to a quota, under any conditions. The raising of this tobacco is an old industry, as old as the State itself. One can ride through the tobacco section, a small strip, and see the tobacco farms. I believe those farmers have a good case, and that this small amount of tobacco, which is different from any other, should be taken out of the bill. I hope the authors of the bill will take it out, because there could be no good reason, in my judgment, why it should be retained in the bill, and it certainly will not injure any other tobacco of which I know.

I now yield to the Senator from Nebraska.

Mr. NORRIS. I thank the Senator, but I have changed my mind. I will take the floor in my own right if I can get recognition.

Mr. TYDINGS. Mr. President, I am not attacking the philosophy of crop control. It just seemed to me that this particular crop, by virtue of the way it is situated in relation to the tobacco industry, could make out a special case as to why it would be unwise to include this kind of tobacco in the bill.

As I stated before, the amount of tobacco grown in my State is not large. Its culture is confined to a small section of the State. It does not come in competition with the average tobacco grown in this country. It is grown and used primarily to give the burning quality to other tobacco, and I hope that those in charge of the bill will consent to its being taken out of the bill, and if any statement I have made proves upon further investigation to be unfounded, or if there is any good reason not now apparent why the tobacco should be put back into the bill, I shall be glad to work to that end, but so far I have heard no reason why this type of tobacco should be contained in the bill.

Mr. NORRIS. Mr. President, the address of the Senator from Maryland has impressed me with the importance of this subject, an importance away beyond what would be indicated. There have been great fires in tenement houses in the cities of this country; vast areas of forest lands have been entirely burned because some tramp going through the forest has thrown aside a cigarette. The burning cigarette has cost us hundreds of millions of dollars every year; it has destroyed many of our valuable forests, and permitted the run-off of rain to destroy some of the most fertile lands in the United States through erosion.

I never before knew why it was that a cigarette would not go out when one threw it away. It is all plain now. It is because it has had mixed in it some Maryland tobacco, and we ought to prohibit its use in the United States. [Laughter.] I will say to the Senator from Maryland that



we ought to encourage its exportation to those countries which are standing in the way of human progress, and impeding the march of civilization. We ought to give a bounty to those who export it to Japan, let us say. [Laughter.] When we want to use it as an element in war with an enemy, all we have to do is to export a lot of this American tobacco, and burn them up. [Laughter.]

I agree with the Senator that the provision as to this tobacco ought to be taken out of the bill. There should be no limitation on its production, if it is grown entirely for exportation, and not for use at home.

Mr. ELLENDER. Mr. President, 2 or 3 days ago, during the debate on the tobacco section, I stated to the Senator from Maryland that I would obtain from the Department of Agriculture a list of the various types of tobacco that were not covered by the bill, and in compliance with that statement I now desire to inform the Senator from Maryland that only four types of tobacco are left out: First, type 61, known as Connecticut Valley shade-grown, which is grown in Connecticut and Massachusetts; second, type 62, known as Georgia and Florida shade-grown, which is grown in Georgia and Florida; and third and fourth, two miscellaneous types of tobacco, one known as Eastern Ohio export, grown only in Ohio, and the other known as perique tobacco, which is grown only in my native State—Louisiana. I am further informed by the Department that the two shade-grown types I have just mentioned—types 61 and 62—are grown in limited areas and under cover and are presently being taken care of by marketing agreements and orders as administered by the A. A. A. Both the growers of these two types of tobacco and the Department felt that it would be best to leave them out of the present bill, and therefore they were not included. With reference to the two miscellaneous types of tobacco just mentioned—Eastern Ohio export and Louisiana perique—both of these tobaccos are grown in such small quantities the Department felt it would be best not to include them in the bill, inasmuch as it was not thought that the establishment of marketing quotas to deal with such a limited supply would be of help to these growers.

As I explained a day or so ago, the term "tobacco" as used in the bill means each kind of tobacco listed and designated in subsection 15 on page 70. On the same page of the bill lines 22 and 23, we read: "The provisions of this act shall apply to such kinds of tobacco severally." Hence, with such language it should be clear that no marketing quota can be placed except as to a particular kind of tobacco. In other words each kind of tobacco as described in said subsection 15 is to be dealt with separately in the establishment of a marketing quota. So that if it is desired that more Maryland tobacco be produced, there is no inhibition in the bill to prevent increased production, if no marketing quota is voted by the growers of that tobacco. I say to the Senator from Maryland that the tobacco growers of Maryland, when that question is submitted to them, will be the best judges as to whether or not they need a quota.

On the other hand, before a marketing quota can be established for that particular kind of tobacco, the Secretary will have to determine whether or not there is an oversupply or an overproduction of it. We might as well ask for the exclusion from the bill of cigar-filler, or dark air-cured tobacco, or all the other types, as ask that Maryland tobacco be excluded.

I am informed by the Department that the tobacco growers of Maryland desire this provision. They were consulted, and as I have just stated, only the Maryland tobacco growers who grow the "Maryland type 32" will be the ones to vote for a quota as to such tobacco, and should they not desire it, then they will be privileged to vote against it. I ask that the Senate vote down the amendment of the Senator from Maryland [Mr. TYDINGS].

Mr. TYDINGS. Mr. President, I do not think the Senator from Louisiana has made out much of a case.

The PRESIDING OFFICER (Mr. HATCH in the chair). The Chair is advised that the question is on agreeing to the

committee amendment on page 70, line 7. The Senator from Maryland has already spoken once on the committee amendment.

Mr. TYDINGS. May I speak on the bill?

The PRESIDING OFFICER. The Senator from Maryland has 30 minutes on the bill; or he may offer his amendment to the committee amendment.

Mr. TYDINGS. I should like to offer my amendment to the committee amendment, to strike out line 19 of the committee amendment on page 70.

The PRESIDING OFFICER. The question now is on the amendment of the Senator from Maryland to the committee amendment.

Mr. TYDINGS. Mr. President, the Senator from Louisiana stated that the Maryland tobacco farmers want this provision in the bill. If they want it in the bill, I am the last man in the world who would desire to have it taken out. Since the bill came before the Senate I have tried to ascertain the views of the men who grow tobacco in Maryland. I have communicated several times with Mr. Gardiner, the Secretary of the Southern Maryland Tobacco Growers Association. I have communicated with Mr. Thomas L. Parran, who was formerly president of the association. I have communicated with Mr. Clarence L. Roberts, a tobacco grower in a neighboring county near Washington, who was an official of the organization, and who represented the organization before the legislature at its last session, when tobacco taxes were about to be imposed by the legislature. So far as I know, in addition to the officials, every farmer outside of the organization likewise seems to have the view that he does not want Maryland tobacco included in the bill. So far I have not heard the name of one Maryland farmer who wants this type of tobacco included, and the only reason why I bring forward this evidence is that I think the witnesses whom I have called afford better testimony as to whether or not the Maryland tobacco farmers want to be included in the bill than the vague statement that the Department of Agriculture says that the Maryland farmers want to be included.

The second point is that the Maryland farmers say, and I think it is true, that they can get more money for the tobacco they raise if they can raise it in a large enough quantity to attract the large manufacturers. The large manufacturers want to buy the tobacco, but the Maryland farmers have not been able to raise enough of it to command a standard price, and therefore have had to look to foreign markets for the sale of their goods.

The other tobaccos contained in the bill for the most part find a home market in the United States. The tobacco about which I am talking has found its main market for the last 20 years outside of the United States.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. BARKLEY. Of course, the same statement is true with reference to many other types of tobacco included in the bill. For instance, 85 per cent of the dark-fired tobacco is exported, and only 15 percent is consumed in the United States. If that is a reason for excluding it—

Mr. TYDINGS. That is not what I am arguing. I am arguing that the American manufacturers want to buy more of this tobacco if they can get it, and perhaps they do not want to buy more of the kind of tobacco to which the Senator is referring. I am trying to give these farmers a chance to find a higher and a better price market than they now enjoy.

Mr. BARKLEY. Has the production of this tobacco in Maryland been on the increase in recent years?

Mr. TYDINGS. I could not answer that question accurately. I will say to the Senator that tobacco has been grown in these five or six Maryland counties ever since tobacco has been grown in this country. There has been no increase in territory. The growers may have intensified their production, but I should say the production is about what it has been during the past 20 years.

Mr. BARKLEY. Of course the Senator realizes that in order to be fair to all tobacco growers they ought to be all on the same basis, insofar as they compete with one another.



Mr. TYDINGS. Certainly I do.

Mr. BARKLEY. If the growers of this type of tobacco are likely to increase their production so that it would be consumed in the United States, then it would be fair to all the other growers of other types that they be included. If they were to be eliminated, then it might become necessary to pass a special act some day, if they ever increased their production enough to create an American market, in order that they might come under the act itself. In view of this situation, and the likelihood of the present regulations affecting them very lightly, I am wondering whether it is wise to eliminate them altogether so as to make it necessary to pass a special act including the Maryland tobacco growers if the time ever comes when they ought to be included.

Mr. TYDINGS. The Senator's question is a very pertinent and proper one. It is, in substance, if we shall except Maryland tobacco from this bill, will the rights of other tobaccos under the bill to supply the home market be decreased to that extent?

The best information I can get is that that will not happen. Maryland tobacco is not the bulk of any smoking tobacco. Its value lies in its mixture with other tobaccos, and manufacturers now have to use all kinds of substitutes to acquire the qualities which this particular tobacco gives. I have the statement on the very best of authority that the large manufacturers of cigarettes would be glad to buy this crop of tobacco in Maryland at a higher price than they are now paying for tobacco if they could get it in such quantities as to standardize their cigarettes.

Mr. BARKLEY. In other words, if they could get enough of this tobacco to put a considerable portion of it in all the cigarettes they make, then they would be willing to buy it?

Mr. TYDINGS. I have not the percentage, but I will say to the Senator from Kentucky in all good faith that the amount of this kind of tobacco compared with the tobaccos used in cigarettes is almost infinitesimal. It might almost be compared with the cellophane wrapper, but it imparts a quality to the cigarettes which the cigarette manufacturers want to have if they can get enough of it.

Mr. BARKLEY. Whatever the percentage of this mixture, if they can get enough to put it in all cigarettes, it would to that extent displace tobacco that is now going into cigarettes?

Mr. TYDINGS. I have not the figures, Mr. President, but let me say that the proportion of tobacco raised in Maryland compared to the tobacco raised in the whole country is so infinitesimal that the Senator need not be afraid that it would crowd out other tobaccos.

Mr. BARKLEY. Maryland is a very progressive State. It might progress in the production of tobacco as greatly as it has in other things.

Mr. TYDINGS. We raise tobacco in only five counties. Three of those counties are very small in area. In fact, one is the smallest county in our State. The other two are very small. Those counties were laid out away back, when a little bit of territory seemed to amount to a great deal.

I will say to the Senators from Kentucky and Louisiana that if I have been misinformed with respect to this matter, if the Department of Agriculture can make out a case, if my statements are not correct—and they may be faulty, because I am speaking only from information—then when the bill goes to conference I should have no objection to withdrawing what I have said and having the original language restored to the bill.

Mr. ELLENDER. By the same token, why not leave it in the bill and let it go to conference?

Mr. TYDINGS. Because I will not be a member of the conference, and there are going to be two or three hundred things in conference, and a new bill is going to be written in conference. While I do not for a moment distrust the good faith of the conferees, I think the plan I have suggested is eminently fair, and my word will hold that I will not object to the reinsertion of the language if what I have said is not a true state of the situation.

I ask the Senator from Louisiana [Mr. ELLENDER] if he will not let the language go out. If, in the light of further facts, he feels that the case as represented by me is not a good one, I shall not interpose any objection to its reinclusion in the bill in conference.

Mr. ELLENDER. In answer to the Senator's question, I will say that I do not think the language ought to be taken out of the bill, because I am confident that the bill as drafted will in no manner adversely affect the Maryland growers. I again state that, after all, when a quota is fixed for Maryland tobacco the Maryland tobacco growers, and no others, are the ones who are going to vote for or against it.

Mr. TYDINGS. Mr. President, the Senator from Louisiana may be right about that. I do not ask him to let the language come out and keep it out if he later on finds that a state of facts exists which indicates that the language ought to be put in the bill. All I say is that I think I have made out a fair case, and I ask him to act on that case; and if my facts are not as I have presented them, then I shall not interpose any objection to the inclusion of the language in the bill in conference.

Mr. SMITH. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. SMITH. I perhaps shall be on the conference committee, and I desire to state to the Senator from Maryland that I think the position taken by the leader, the Senator from Kentucky [Mr. BARKLEY] is the right one; that we should leave the language in the bill, and if sufficient evidence is presented to the conferees that it is to the best interests of the Maryland growers and the other tobacco producers of this country that it should be taken out, I think there will be no difficulty in getting the conferees of the House and Senate to agree to taking the necessary action. If I shall be on the conference committee—and it is very likely that I shall be—the Senator from Maryland may communicate with me at any time he sees fit, and his suggestion will certainly have the consideration of the conferees.

Mr. TYDINGS. I may then assume, from what the Senator from South Carolina has said—and I certainly shall accept his statement at face value—that if it is found that the statements I have made here today are substantially correct, that there is no competition worthy of the name from this class of tobacco with other tobaccos, except as I have indicated, he would receive with favor in the conference the amendment to strike from the bill this provision dealing with Maryland tobacco?

Mr. SMITH. I shall reiterate what I said, Mr. President. If there is a presentation of facts sufficient to convince the conferees that the elimination of the language will be beneficial to the tobacco growers both in Maryland and elsewhere, I shall ask that it be eliminated.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. BARKLEY. In fairness to the Senator from Maryland and to the conferees also, I think it ought to be stated that this definition of "Maryland tobacco, comprising type 32" is in the House bill. If it is contained in the Senate bill it will not be in conference; so I think the Senator ought to understand that.

Mr. TYDINGS. I thank the Senator from Kentucky for his fairness. I can say in the best of faith that if my statements here are not accurate, and if this tobacco seriously interferes with the production of other tobacco or its sale, I shall not raise the slightest objection if the conferees want to retain the House provision which contains the Maryland tobacco, if the matter goes to conference. I hope, therefore, that the Senator will be in a position to take out the language in the event it should go out.

I ask for a vote on the amendment.

Mr. LOGAN. Mr. President, before we have a vote on the question I desire to point out one thing.

I have a very high regard for the Senator from Maryland and I recognize his ability and his careful thinking. However, I do not think the Senator has made out a case by the evidence which he has presented, taking it at its full value.



The Senator states to the Senate, and I know that is his opinion, that many of the leaders among the tobacco growers in Maryland do not want to be included in this bill. If that be true, and that is the situation as regards Maryland tobacco No. 32, let me say to the Senator that he has nothing in the world to fear, because no growers of tobacco can determine whether there shall be a quota assignment to the growers of Maryland tobacco No. 32 other than the growers of that tobacco themselves. No one else can have anything to say about it. If that be true, then I cannot see why the particular growers to whom the Senator refers are afraid to leave it to the growers of tobacco, including those who, it is understood, are against it.

What I say is said with the utmost good faith, because it does not affect my State one way or the other. What the Senator has said is true. I agree with what the Senator from Maryland has said. I think his statements are all true. I accept the evidence which he has presented that the Maryland growers are against it. However, I believe the Senator from Maryland would be doing his own tobacco growers a gross injustice if this language should be taken from the bill. They may some day need the protection of the bill. The time may come when they may appeal to the Secretary of Agriculture to help them. If that language should be stricken out, harm might result. If it is allowed to remain in the bill no harm at all can come to the Maryland growers unless they voluntarily will not come under the law.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. LOGAN. I yield.

Mr. TYDINGS. I think the Senator has made out a very good case. If the tobacco growers in Maryland alone could settle this question I should have no objection. After reading the bill and reading the definition of "tobacco" I am afraid all the growers of tobacco might be in the referendum taken.

Mr. LOGAN. Oh, no. If that were true I myself should oppose the bill. If I thought that were true I should oppose the bill. If the Senator has any basis for that belief, I will say to him that I would not allow the burley tobacco growers of Kentucky to be governed by the votes of the flue-cured tobacco growers in North Carolina or the growers of tobacco in Virginia.

As I understand the bill, the basis of it is that only the growers of the particular kind of tobacco which is named and numbered in the bill can vote on the question at all. If the bill does not so provide I am all wrong.

Mr. TYDINGS. I read now from subsection 15, on page 70, a definition of the word "tobacco":

"Tobacco" means each of the kinds of tobacco listed below, comprising the types specified as classified in service—

And so on, giving the number. Where is the provision, except in line 22, which says:

The provisions of this act shall apply to such kinds of tobacco severally?

Mr. LOGAN. I may say that I cannot point it out in the bill.

Mr. TYDINGS. The Senator from Kentucky may be right. If he is right, I should not object to it; but I cannot see how the separate growers can vote on the tobacco allotment.

Mr. McNARY. Mr. President, will the Senator yield?

Mr. LOGAN. I yield.

Mr. McNARY. I think the construction of the Senator from Maryland is undoubtedly correct. I see this language as to tobacco on page 42:

Whenever, on the 15th day of November of any calendar year, the Secretary finds that the total supply of tobacco as of the beginning of the marketing year then current exceeds the reserve supply level therefor—

Then he may declare a marketing year, and apply the quota.

Mr. TYDINGS. That is what I understand.

Mr. LOGAN. If the Senator from Oregon or the Senator from Maryland are correct, I should like to ask that this

matter go over until I can find out about it, because I should be against any bill which would allow the growers of any one type of tobacco to impose a quota on the growers of another type.

Mr. TYDINGS. I may be wrong, and I hope I am, and the Senator from Kentucky may be right, but I want to say that my own reading of the bill leads me to believe I am right, and that, as it is now written, the situation is in doubt. Therefore I was anxious to get the language out of the bill in the Senate, particularly since the leader on this side spoke of the matter being later discussed in conference. If Maryland tobacco should be found to compete with other tobacco, then I would not object to the language in question, but I am afraid we shall get this bill in conference, and the report will come back, and then it will be useless to ask the conferees to go back and strike it out.

Mr. LOGAN. I see the point the Senator from Maryland makes, but, instead of exempting the tobacco, let us clarify the provisions of the bill, if we can agree on that, until we know that only the growers of Maryland tobacco No. 32 can vote on the question of the quota as it applies to that tobacco.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. LOGAN. I yield.

Mr. TYDINGS. I should like to see this provision taken out until the bill is clarified. Then, if it is in the shape that the Senator from Kentucky indicates, I shall have no objection in the world to seeing it go back in the bill again.

This is our one chance of getting our day in court. So far as I know, there are no tobacco growers in Maryland who want to be included. There may be some, but I have not heard from them; and I am afraid that if I do not seize this opportunity it may not come again, and I shall never have a chance to express their viewpoint. If the matter goes to conference, and the conferees feel that what I have said is wrong, or if the bill has been corrected so that the matter is left up to the Maryland growers, I shall not object to the provision going back into the bill.

Mr. McNARY. Mr. President, in the interest of expedition, I ask unanimous consent that the provision in line 19, page 70, referring to Maryland tobacco, may be passed over for the present.

The PRESIDING OFFICER. The Senator from Oregon asks unanimous consent that the provision in line 19, page 70, referring to Maryland tobacco, be passed over for the present. Is there objection to the request of the Senator from Oregon? The Chair hears none, and it is so ordered.

#### KEEP AMERICA OUT OF WAR

Mr. REYNOLDS. Mr. President, at the moment I addressed the Chair I was looking over a copy of one of the morning daily newspapers of Washington. I was endeavoring to locate an article which had been brought to my attention this morning by a friend in reference to some of our troops having been withdrawn from Chinese territory. I was interested in that article because I have repeatedly stated at various times within the past 2 months, throughout the United States, that I was of the opinion that we should withdraw our gunboats and soldiers from oriental waters and Asiatic soil. I was a bit fearful that we might become involved in war if another battleship *Maine* incident should occur anywhere in those waters.

Mr. President, I rise in the interest of the 130,000,000 people in the United States of America. I rise for the purpose of bringing to the attention of this honorable body the program which is being sponsored by that national organization opposed to war known as the Veterans of Foreign Wars—an organization which has a membership of 250,000 veterans. Those 250,000 men today reside throughout the length and breadth of this Nation, and are at this hour to be found within the confines of the 3,200 counties constituting the 48 States of the Union.

On yesterday, when I was in the reception room adjacent to the Senate Chamber talking with some of my constituents from North Carolina I was fortunate to come in contact with



the honored commander in chief of the Veterans of Foreign Wars, Mr. Scott Squires, who comes from Oklahoma City, Okla., and who then was in company with my friend, Jimmie Van Zandt, the former national commander in chief of the Veterans of Foreign Wars, but who now is the national legislative chairman for that veterans' organization. With them was my personal friend of several years, Millard W. Rice, the Veterans of Foreign Wars' legislative representative. At that time mention was made of their splendid program. I am happy to be afforded at this hour the opportunity to bring this most worthy program to the attention of the Members of the Senate who are now giving me such kind attention, not because I happen to be the spokesman of the hour but they are giving me this unusually fine attention because they are interested—as am I, and as is the Chief Executive of the United States of America—in keeping America out of war. So at this time I avail myself of the opportunity to bring to the attention of this honorable body point 3 of an outline of the 1938 objectives of the Veterans of Foreign Wars of the United States.

Point 3 is captioned:

Keep America out of war!

Thereunder there are subcaptions entitled:

A. Preparation against war; B. An adequate national defense.

Before proceeding further I wish to state, unhesitatingly, and as a matter of fact with enviable pleasure, that I am in sympathy with the program that is being sponsored by the Veterans of Foreign Wars.

Mr. President, last evening, after I had completed my day's labors in my office, I proceeded to a local theater where I saw projected upon the screen pictures which had been recently received in this country, depicting cinematographically war scenes in China. There I observed thousands upon thousands of starving, ill-clothed, unfortunate Chinese, both men and women, young and old—the cruel results of war. In the same theater there were projected upon the screen motion pictures of the man whom I believe to be one of the most fearless and one of the greatest leaders this country has ever had, our beloved and honorable President, Franklin D. Roosevelt; and from the screen there reached my ears these words from his lips:

I hate war!

When those words he uttered, I knew that they would be welcomed by the mothers of America. I believe I am in a position to state that all of the 130,000,000 people of America are most certainly opposed to the United States becoming involved in any foreign entanglements or embroilments which might eventually lead us into war.

When we visit, as we do, the hospitals in the immediate vicinity of the Capital of our country, and therein we find our personal friends who are veterans of the great World War, the dread of another war, with its horrible results, becomes more realistic. I know that the other Members of this body, like myself, visit at opportune times, particularly on Sundays, our veterans who are in these hospitals, in order that they may endeavor to bring cheer and happiness to the unfortunate heroes who unhappily are forced to be there; and I know that my colleagues derive a great deal of pleasure when the opportunity is afforded them to visit their veterans in the local hospitals. I know that at every opportunity they provide themselves with the means to do everything they possibly can for the veterans, and I know that it affords my colleagues a great deal of comfort to know that they are aiding the boys who were sent to the shores beyond the sea to save the world for Christianity and democracy.

I do not believe I have ever in all my life experienced a greater sense of satisfaction than I did a few days ago when my able and trusted secretary, Wesley E. McDonald, brought to my attention a letter from a veteran of the World War who no longer is with us. I should like now to have the liberty of reading that letter. It is dated November 21, 1937, only a few days ago:

VETERANS' FACILITY,

Bay Pines, Fla., November 21, 1937.

Dear Mr. W. E. McDONALD:

The fact of your taking special interest in securing the attention of Senator REYNOLDS to my affairs really has touched me deeply and in my pitiful condition the friendship and interest you have shown has been a real help to me in my everyday fight to retain a more hopeful outlook on life from my hospital bed.

Unless you have been confined for months and never knew whether or not you would see another day you cannot realize the fellowship and cheer such letters as you write bring into the lives of us hospital boys.

I want to assure you that your efforts and letters have been a real help and comfort to me.

Very truly yours,

(Signed) DANIEL S. REED.

And as here I stand I mourn with you the death of that veteran, who passed to the Great Beyond on the 1st of December of this year.

My friends of this honorable body, I say, as do all of the Veterans of Foreign Wars, 250,000 in number, affiliated with that great organization, that we should not permit ourselves to become entangled in any foreign embroilments, because as here today we stand and sit we recall that our brief participation in the World War, which lasted from April 1917 until November 1918, has cost the taxpayers of this country up to the present time more than \$67,000,000,000. As one President of our country said only a few years ago, before we shall have finally liquidated in full the debt growing out of the World War it will cost us, in round numbers, as much as \$100,000,000,000. But after all, my friends of the Senate, we do not liquidate those obligations in the currency of our country, in dollars and cents. Those obligations are liquidated only by the cruel tears that trickle down the cheeks of the mothers who lost boys "over there."

In order to understand, in order that we may keep our skirts clear from any foreign entanglements, as the able senior Senator from California [Mr. JOHNSON] knows, it is necessary for us to understand the international situation, the situation which exists today upon virtually every single one of the five continents of this globe. What, I ask, is that situation? Let us see; and I digress for the moment to say that I am deeply gratified and happy to observe so many Members of this body so thoroughly interested in what I have to say in reference to this all-important subject.

The PRESIDING OFFICER. The time of the Senator from North Carolina has expired.

Mr. REYNOLDS. I request our leader to permit me 15 minutes more.

Mr. BARKLEY. Mr. President, I dislike to object to the request of my genial friend from North Carolina, but his speech does not pertain to the measure under consideration. We have made no progress today on the farm bill. We have made very little progress on any day during the consideration of the bill. If I yield to the importunities of my friend from North Carolina and do not object to an extension of his time, I shall be embarrassed by similar requests from others.

Mr. REYNOLDS. I appreciate that situation and I shall not intrude upon the time of the Senate. I would not think of embarrassing my friend, our leader, by insisting upon more time because I recognize readily and appreciate the fact that if he were to yield to me in this instance it would be the proper thing, the courteous thing, for him to yield to any other Senator who might submit a similar request.

So I conclude; but before doing so I ask that there may be embodied in the RECORD as a part of my remarks an outline of the details of the 1938 objectives of the Veterans of Foreign Wars of the United States.

There being no objection the matter was ordered to be printed in the RECORD as follows:

AN OUTLINE OF THE DETAILS OF THE 1938 OBJECTIVES OF THE VETERANS OF FOREIGN WARS OF THE UNITED STATES

POINT 1. ADEQUATE CARE FOR THE WIDOWS, ORPHANS, AND DEPENDENT PARENTS OF OVERSEAS VETERANS

A. An increased pension of at least 50 percent more than at present for widows and orphans of veterans deceased by reason of service-connected disability.



B. A pension of at least 75 percent of amounts provided for those in first group, for dependents of deceased veterans, who were suffering with compensable disabilities.

C. A pension of at least 50 percent of amounts provided for first group, for the widows and orphans of all other deceased war veterans.

D. Payment of allowance to children of deceased Spanish War veterans until they reach the age of 18, or, if in an accredited college, to age of 21.

E. Adequate assistance for all dependent children and needy widows of veterans, under State social-security laws.

F. Special pension of \$1,200 per year for widow of late Admiral Robert E. Coontz.

#### POINT 2. JOBS OR PENSIONS FOR VETERANS

##### A. Jobs for veterans.

##### 1. Federal civil-service preferences for veterans:

##### a. Preference in examinations:

- (1) Ten points added to earned ratings of: Service-connected disabled veterans, their wives, war veterans over age of 55, and widows of all deceased veterans; placement at top of civil-service register.
- (2) Five points added to earned ratings of all other veterans, and names placed next in order on civil-service register.
- (3) Quarterly examination privilege for 5- and 10-point persons.
- (4) Veterans' Administration to certify combat disability without stating degree.
- (5) Waiver of age and physical requirements, if otherwise qualified.
- (6) Waiver of educational prerequisites, if otherwise qualified.
- (7) Include war service as part of experience-prerequisite time.
- (8) Credit, experience gained in voluntary civic, social-welfare, and veterans-service work, on same basis as if on paid basis.

##### b. Preference in appointments:

- (1) Appointing officer to submit adequate reason for skipping over name of a veteran to Civil Service Commission.
- (2) Accredited representative to review such reasons.
- (3) Publication of names of all appointees.

##### c. Preference of retention, upon reduction of forces, in all Federal agencies.

##### d. Preference for transfers with same job classification and salary.

##### e. Protection against lower job classification or salary status.

##### f. Reinstatement from furloughed, resigned, or dismissed status in preference to new appointments or internal promotions or transfers.

##### g. Reinstatement, after recovery from retirement disability, to a position in classified civil service with equal salary and classification.

##### h. Include time spent in United States armed forces as part of civil service.

##### i. Appeal board to consider appeals concerning examination ratings, sufficiency of reason for skipping over name, sufficiency of education, experience or physical prerequisites, reclassifications, efficiency ratings, furloughs, retentions, dismissals, and reinstatements, with right of accredited representative to review records and to present plea.

##### j. Local postmasters to make appointment of 10-point-preference veterans at least 1 day preceding appointment of other persons.

##### k. Retention in civil-service status of veteran employees of Bureau of Marine Inspection and Navigation, without yearly physical examination.

##### 2. Extension of civil service to cover all full-time Federal employees.

##### 3. Same preferences as to all Federal positions, contracts, public works, P. W. A., W. P. A., etc.

##### 4. Intensified United States Employment Service and Veterans' Placement Service.

##### 5. Optional quarters, subsistence and laundry for V. A. employees; a workweek of not more than 44 hours for all V. A. employees.

##### 6. Optional civil-service retirements.

##### 7. Retention of W. P. A. and enlargement of the C. C. C., with liberalized eligibility for entry, reentry, and retention of veterans therein.

##### 8. Preference to American citizens, as to all governmental employment, jobs, positions, services, contracts, loans, grants, and other assistance.

##### 9. A census of all veterans, in each community and State, cross-classified as to ages, occupations, able-bodied and disabled, employed, partially employed, and unemployed, and as to those:

##### a. Employed by the Federal Government, by States, counties, and municipalities, with civil-service status and without civil-service status.

##### b. Employed under Federal, State, and local relief projects.

##### A. Jobs for veterans—Continued.

##### 10. Effective veteran employment and civil-service preference laws by all States, counties, and municipalities, and greater uniformity of beneficial State laws relative to veterans, their dependents, and their organizations.

##### 11. Private employment.

##### a. Urge employers extend employment to qualified veterans.

##### b. Urge veteran employers extend employment to other veterans.

##### 12. Cooperation of local, State, and national employment committees of V. F. W. with other veteran organizations, governmental agencies, and private employers, to take such steps as will assure to all ex-service men the opportunity for permanent, suitable, gainful employment.

##### B. Pensions for veterans.

##### 1. Liberalized service connections.

##### a. Length, type, and circumstances of veterans' service to be considered by Veterans' Administration rating agencies, in determining service origin of any disability.

##### b. Compensation or pension to be payable for disability resulting from injury or disease incurred in military service, unless caused by willful misconduct mal per se, and not merely mal prohibitio.

##### c. Modification of present stringent "causative factor" requirement to establish eligibility to disabled emergency officers' retirement benefits.

##### 2. Liberalized compensation or pension for service-connected disabilities.

##### a. Full compensation for so-called presumptive disabilities.

##### b. Statutory award of \$10 per month for veterans wounded, gassed, or disabled, in combat, plus other compensation payable, if any.

##### c. Full payment of compensation or pension to all veterans while hospitalized, but no apportionment to dependents residing in other countries; permanent total rating for all veterans hospitalized for active tuberculosis.

##### d. Full dependency allowances for veterans rated on permanent basis.

##### e. Disabled veterans of Regular Establishments to receive at least 90 percent as much as World War veterans for same disability, with option to receive three-fourths of regular pay as disability retirement.

##### f. No reduction of any benefits to disabled veterans or dependents.

##### 3. Pensions for non-service connected disabilities.

##### a. Pension of \$50 per month for any needy war veteran suffering with such permanent disability as results in inability to earn a living.

##### b. Eligibility for old age assistance for unemployable war veterans beyond 50 years of age, under State social security laws.

##### c. Eligibility for earned old-age benefits for unemployable war veterans beyond 50 years of age, under Social Security Act.

##### 4. Government insurance.

##### a. For all men in active United States armed forces at any time.

##### b. Reduction of interest on Government insurance loans from 6 to 5 percent.

##### c. Reopen right to bring suit on insurance claims where not previously filed because of lapsation or near lapsation of statute of limitations.

##### d. Policies incontestable after 2 years except for fraud or nonpayment of premiums; all premiums returned if canceled.

##### 5. Bonus legislation.

##### a. Provisional and probationary officers of the United States armed forces below rank of major during World War, who resigned from active service prior to January 1, 1922, to be entitled to same benefits as emergency officers.

##### b. Enactment of pending Philippine travel pay bill.

##### 6. Administration of veteran benefits.

##### a. Publication in Veterans' Administration annual report of number of beneficiaries and total amount of benefits in each classification, subdivided according to those who had overseas service in United States armed forces.

##### b. Four or more review boards, personnel from Veterans' Claims Service, Veterans' Administration, to visit each local office every 3 months to correct ratings, and to assign ratings outside of specific schedule ratings upon fact of actual unemployability.

##### c. Medical question on any claim referable to Medical Director for decision.

##### d. Free legal services by Veterans' Administration chief attorney in restoring civil rights of veteran under guardianship found to be competent.

##### e. Opposition to merger of Veterans' Administration with any other Federal agency.



**B. Pensions for veterans—Continued.****7. Hospital benefits.**

- a. Payments for needed medical and hospital treatment of service-connected American disabled veterans who reside in other countries.
- b. Hospitalization or domiciliary care for members of United States armed forces who served during any war, campaign, insurrection, or expedition.
- c. Additional facilities in accordance with veteran-population needs.

**8. Burial benefits.**

- a. A national cemetery in each State and Territorial possession.
- b. Next of kin of any deceased veteran who was suffering with a compensable disability to receive burial allowance of \$100 plus United States flag.
- c. Burial flags for funerals of and headstones for graves of all deceased veterans honorably discharged from United States service in any foreign war, insurrection, expedition, or campaign.

**9. Fingerprints of World War veterans to be classified according to type.****POINT 3. KEEP AMERICA OUT OF WAR****A. Preparation against war.****1. Equalization of the profits and burdens of war, by:**

- a. Present detailed plans for effective mobilization of men and money, labor and industry in event of war.
  - (1) Conscript wealth by providing that during any war, a graduated part of wealth of every resident shall be subject to conscription, for purchase of taxable low-interest Government bonds.
- b. Such graduated taxes during and following war, as will recapture abnormal profits therefrom, and as pay for the cost thereof.
- c. Limitation of profit from military supplies or services.
- d. Rigid governmental control of manufacture and sales of all munitions.
- e. Adequate provisions for those who die, or are disabled, in or by, future service in our armed forces, and for their dependents.
- f. Punishment for espionage during peace, just as in war.

**2. Strict neutrality.**

- a. Renounce war as an instrument of international policy; comply with provisions of Kellogg Treaty.
- b. United States not to engage in any war of aggression, or for the support or defense of any country not covered by the Monroe Doctrine.
- c. Withdraw United States armed forces from all foreign soil except such as needed at a minimum to protect American Government property.
- d. Withdraw armed protection to American citizens, after period of warning, during their continued travel or residence in a war zone.
- e. Prohibit travel in war zones of American citizens.
- f. No credit, or loans, by this country, or its citizens, to any country, or its citizens, at war; comply with provisions of Johnson Act.
- g. Permit sale of supplies to a nation at war only if paid for, and only if ownership thereof is transferred at our shore lines, without any protection or responsibility by United States Government.
- h. Recognize existence of war regardless of its formal declaration.

**B. An adequate national defense.****1. United States Army.**

- a. 18,000 officers and 286,240 enlisted men in Regular Establishment, a National Guard of 425,000 officers and men by 1942.
- b. 120,000 officers in Organized Reserves by 1942.
- c. Adequate mechanization and motorization of all United States armed forces.
- d. Adequate modernized antiaircraft artillery, field artillery, seacoast defenses, light and heavy machine guns, and semiautomatic shoulder rifles, for Regular Army and National Guard, within 2-year period.
- e. Matériel reserves needed for first 90 days of any war, within 2 years.
- f. Issuance of modern gas masks to all United States armed forces.
- g. Air Force second to none in combat strength and efficiency, with one well-equipped flying field in each strategic area in United States and in each of its overseas possessions within 2 years.
- h. An annual 2-weeks' training for at least 30,000 combat Reserve officers and 100,000 members of C. M. T. C., and for such additional R. O. T. C. units as needed to assure 120,000 Reserve officers by 1942.
- i. Adequate barracks, quarters, storage and technical facilities for expanded Regular Army, National Guard, and Organized Reserves.
- j. Military discipline and such training as map reading, bridge building, and radio communication for members of C. C. C.

**B. An adequate national defense—Continued.****2. United States Navy.**

- a. Combatant ships as authorized by Vinson-Trammell bill.
- b. A modernized efficient fleet with adequate shore facilities.
- c. Naval auxiliary tonnage adequately to serve our combatant fleet.
- d. Trained officers and enlisted men for full authorized Navy.
- e. An enlarged Marine Corps to exercise its normal functions.
- f. Adequate training for expanded naval and Marine Corps Reserves, and R. O. T. C. units.
- g. A modernized United States merchant marine, manned by loyal American citizens.
- h. Air Force second to none in combat strength and efficiency.
- i. Adequate scientific laboratory and experimentation facilities.
- j. Construction of dirigibles and continuance of experiments with same.

**3. Natural resources.**

- a. Conservation of natural resources by constructive Federal and State programs to restore and protect forests and lands primarily suited therefor, reduce soil-erosion losses, control destructive floods, and conserve our water resources.
- b. Sale of helium gas to foreign countries for peacetime purposes only; maintenance of an adequate military air base near helium plant and gas fields supplying same, near Amarillo, Tex.

**4. Armed-forces personnel.**

- a. Transportation to their homes of dependents of enlisted men upon their transfer to Fleet Naval and Fleet Marine Corps Reserves.
- b. Reinstatement of reenlistment gratuity.
- c. Longevity pay for warrant officers; no reduction of retirement pay for chief warrant officers.
- d. Liberalized pensions, hospitalization, burials, etc., for armed forces, including National Guard while doing Federal duty.
- e. Liberalized retirement provisions for Regulars: (1) not less than three-fourths of average pay received during last 10 years; (2) double time for overseas World War service for retirement purposes.
- f. Double pension for death or disability resulting from aviation, submarine, and diving accidents, for United States armed forces.
- g. Promotion to next higher grade, without increased pay, for retired officers below brigadier general, who served in Spanish-American War, Philippine Insurrection, Boxer Rebellion, Moro Campaign, or World War.
- h. Reopen opportunity to War Department to consider recommendations for award of, and to grant, citations and decorations for World War service.
- i. Publication by United States of complete record of all awards made, by it or by Allied Governments, to United States veterans for meritorious service in any United States war, insurrection, rebellion, or campaign, with presentation to each such decorated veteran as a permanent memorial.
- j. Issuance of a campaign medal for German occupation service.
- k. Extend status of regularly enlisted and discharged men of United States Army to former members of Russian Railway Service Corps.

**POINT 4. PROMOTION AND PROTECTION OF AMERICANISM****A. Promotion of Americanism.**

- 1. Broad dissemination of information as to all rights and privileges of citizens under our democratic form of government, under the United States Constitution.
- 2. Educational and inspirational activities among the youth of our Nation.
- 3. Promotion of general education, of our children, of our citizens, and of those on their way toward citizenship; promote public forums.
- 4. Cooperation as to all noncontroversial constructive community activities leading to social and economic betterment.
- 5. Armistice Day, November 11, to be a National holiday, with joint unified veteran organization ceremonies in Arlington National Cemetery.
- 6. Dissemination of information concerning social-security laws, and other Federal laws, which directly affect many citizens; take steps to assure efficient administration of such beneficial laws.
- 7. Adoption of a National flag code; display of the United States flag on or near all Federal buildings; no importation or purchase of foreign-made United States flags.
- 8. Cooperation with United States Sesquicentennial Commission.
- 9. Preservation of the *Constitution*, the *Constellation*, the *Hartford*, the *Olympia*, and the *American* as historic naval relics.



## A. Promotion of Americanism—Continued.

10. Issuance by War Department of old musical instruments to junior band units of Veterans of Foreign Wars, etc., whenever capable musical instructors are available.
11. Issuance of a national memorial postage stamp to honor Matthew T. Brady, the official photographer of the Civil War.

## B. Protection of Americanism.

1. Vigorous opposition to and investigation of agencies of communism, fascism, nazi-ism, or any other form of dictatorship or regimentation.
2. Dissolution of all secret organizations which advocate, or use, force or violence to advance their purposes; make it a crime to advocate or promote overthrow of the United States Government by force or violence.
3. Registration of any person employed by any foreign agency to disseminate propaganda in United States.
4. Withhold public moneys from any school, college, or university advocating the adoption of any foreign "ism" in this country.
5. Immediate withdrawal of diplomatic relations with Soviet Russia.
6. Oath of allegiance by all local and Federal governmental employees.
7. Perpetuation of our threefold form of government.
8. Neutral attitude by Veterans of Foreign Wars on all disputes between capital and labor.
9. Federal and State appropriations to provide free venereal disease treatment.

## C. More restrictive alien legislation.

1. Greatly reduce immigration quotas as to all countries.
  - a. Visas to be issued by our foreign consuls.
  - b. No visa if immigrant would likely become a burden or if he would prevent, or remove, the employment of an American.
  - c. No visa unless immigrant signs agreement he will adhere to United States laws.
  - d. No visa if immigrant believes in use of force to overthrow Government.
  - e. No visa to visit this country longer than 6 months without special permit; must have visible means of support, be subject to periodic reports.
2. Increased border patrols to prevent smuggling of aliens into this country.
3. Registration, fingerprinting, photographing, identification of all aliens.
4. Mandatory deportation of all undesirable aliens.
  - a. Criminals, illegal entrants.
  - b. Those who advocate use of force to overthrow present form of government.
  - c. Those ineligible for citizenship.
5. Oppose inclusion of island dependencies as States of United States.
6. Prohibit governmental employment of any illegally entered alien; Government employment for other aliens only where qualified citizens are not available.

## DISAPPEARANCE OF AMERICAN CITIZENS IN RUSSIA

Mr. COPELAND. Mr. President, I desire to ask the Senator from North Carolina a question. We recognize the validity of his argument, but what shall we do in the case of the disappearance of an American citizen in a foreign land? I know we do not declare war, but what do we do?

A citizen of my State, Mr. Donald L. Robinson, disappeared in Russia the other day. He is a writer. I do not know whether his writing was offensive to Russia, but at any rate he disappeared, and a few days later his wife disappeared. I am indignant, as a citizen of the United States, of the State of New York, to think that two of our fellow citizens should disappear under such circumstances. What are we to do in such a matter? How do we deal with it?

Representations have been made to Russia by our Government. But is that all we should do?

Of course, we could, as a nation, say to our citizens, "You must not travel in foreign lands"; but after all, an American citizen ought to be safe wherever he goes, and certainly safe in a country supposed to be a friendly country. But this appears not to be the case. What are we going to do about Donald L. Robinson and his wife?

I am regretful that the chairman of the Foreign Relations Committee is not here this morning, because I had intended to address this question to him. I ask the Senator from North Carolina what do we do in a case like this? What is our national duty?

Mr. REYNOLDS. I am flattered that the able Senator from the great Empire State of New York has directed to me the inquiry, but I rather feel that at this hour we have not as yet ascertained what occasioned the disappearance of Mr.

and Mrs. Robinson. When we learn exactly the cause of their disappearance I shall be in a position to provide the Senator with a more intelligent answer to his inquiry.

Mr. COPELAND. I am not satisfied to have Mr. and Mrs. Robinson disappear and to remain disappeared despite efforts to restore them to their friends. I do not want them to disappear and then learn 5 years from next Wednesday that they were killed. I want to know what we shall do about it. I am aware of the fact that the United States has given an ultimatum, whatever that may mean, to the Russian Government. I saw in the Washington Herald this morning, a dispatch from Moscow, reading as follows:

Moscow, December 11 (Saturday) (I. N. S.).—If Donald L. Robinson, New York writer, and his wife are not found within 24 hours, Soviet Russia may be officially charged with violation of a reciprocal treaty with the United States, it developed today.

While fears spread among Americans that they, too, may disappear as mysteriously as the Robinsons, the embassy demanded that the Soviet Foreign Office supply information concerning the whereabouts of the couple by tomorrow. Embassy attachés declined to state what form of action would be taken if the ultimatum goes unheeded by Russian authorities.

That is a message from Moscow. As one of the Senators from the State of New York, I am interested in the fate of these two citizens of my State. I want the country to know that the State Department is proceeding. I want to know whether a message of cheer may possibly be sent to the friends of this couple. It is a horrible thing to think that in a friendly country there should be a disappearance such as this.

Mr. CONNALLY. Mr. President, will the Senator from New York yield?

The PRESIDING OFFICER (Mr. SCHWELLENBACH in the chair). Does the Senator from New York yield to the Senator from Texas?

Mr. COPELAND. I yield.

Mr. CONNALLY. Has the Senator from New York taken up the matter with the State Department?

Mr. COPELAND. No; I have not personally done so, because it is only within an hour or so that the significance of the matter came to my attention and I learned that protest has been made. I am speaking of it here in order that what may be said today will be read by the State Department. I intend, of course, to communicate with the State Department. There can be no doubt it is alert to the situation. But a word uttered here may cross the world and help the State Department to succeed in its worthy effort to help our citizens in distress.

Mr. CONNALLY. It seems to me that if the Senator really wants any action by the State Department he should talk to the State Department face to face, and not be expecting the State Department to read the RECORD next week to learn what he has said about the Department. If the junior Senator from Texas had two missing constituents in whom he was greatly interested, he would be looking after them and trying to find out about them through the regular channels. He would not merely be standing here talking about the matter.

Is the Senator demanding that the Government of the United States unleash all its powers to punish those whom he suspects? Nobody knows where this couple may be. If the Senator is so interested, why not go and see the Secretary of State and not walk around here and say to the Senate, "I have two constituents missing"—not in New York, though a good many of them are missing in New York, but, "I have two constituents missing in Russia. For God's sake send a battleship over there and bring them home."

Mr. COPELAND. I fear the Senator from Texas would deal with this problem in a spirit of levity. Has he had experience in going to the State Department?

Mr. CONNALLY. The junior Senator from Texas has never failed to receive a cordial welcome at the State Department and to be given careful attention. I do not always get what I want, but I do get attention and consideration. I know I get better attention and consideration when I go and talk to them face to face than I would if



I merely rose in my place in the Senate and kicked them all over the lot and then expected them to do something.

Mr. COPELAND. I am very much obliged to the Senator from Texas. I am going to act wholly upon his advice, as I always do. If I get no response, then it will be the fault of the Senator from Texas and not my fault.

Mr. CONNALLY. No; it will not be my fault. That is a habit which I commend to the Senator from New York.

Mr. COPELAND. It is a habit which I have followed.

Mr. CONNALLY. I follow the Senator from New York very often, but I suggest to him as a member of the Committee on Foreign Relations that if he wants to get any results he should go to the Department of State and talk with the Secretary.

Mr. COPELAND. I am glad the Senator calls attention to the fact that he is a member of the Committee on Foreign Relations. In the absence of the chairman of that committee, I appeal to the Senator from Texas, who is a very influential member of the Committee on Foreign Relations, to proceed in order that my constituents may be returned to the United States.

Mr. CONNALLY. I am going out right now to telephone the State Department and tell them that on account of the inability of the Senator from New York temporarily, only because of his being engaged in making an address on the floor of the Senate, I am interceding in behalf of two of his constituents. If the Senator will give me their personal description, so that if we are going to look for them in Moscow we will know what kind of persons we are looking for, I shall appreciate it.

Mr. COPELAND. The very fact that they come from New York indicates that they are handsome young people and would be recognized anywhere as New Yorkers. I beg the Senator from Texas to go to the telephone and do this very thing, because he has real influence with the Department of State; he is a member of the Foreign Relations Committee. I ask him in the name of humanity to telephone and see what he can do about it.

Mr. CONNALLY. The Senator from Texas is going to do so. He merely wants to be sure that the Senator from New York will be here when he returns with the information, and will promptly follow it up.

Mr. COPELAND. I am going to follow the Senator to the telephone as soon as I may.

Mr. McKELLAR. Mr. President, will the Senator from New York yield?

Mr. COPELAND. I yield.

Mr. McKELLAR. I have been absent from the Chamber and returned just in time to hear the last few words of the discussion. Does this involve some attack on the Department of State? I want to say for the Secretary of State that I have known him a very long time, some 30 years, and he is a perfectly splendid man, one of the most courteous, one of the most kindly, one of the most attentive to his business that I have ever known. I am sure that any request the Senator may make for information or for help, where help can be given, will be received by our present Secretary of State, Hon. Cordell Hull, and he will certainly do whatever is right in the premises and will treat the Senator with the utmost courtesy and consideration.

Mr. COPELAND. I endorse 100 percent what the Senator has said. I too have known this estimable gentleman for 20 years or more, and I have the same high regard for him that is held by the Senator from his State. But this is a matter which concerns more than the State Department. It concerns the Senate. We have been joking about it somewhat, but is it not a pretty serious matter to think that two citizens of the United States, in full health 2 or 3 days ago, should suddenly disappear, and that no success comes to efforts to discover their whereabouts?

Mr. McKELLAR. From where did they disappear?

Mr. COPELAND. The husband is a writer and disappeared in Moscow, and 2 or 3 days later in an equally mysterious manner his wife disappeared. Protests have been

made. To be serious about it, the reason why I have not proceeded further myself was the fact that I knew representations had been made. I was not ignorant of that fact, but I do think the country ought to know that American citizens ought to be safe in Russia, as safe there as they are in New York.

Mr. McKELLAR. I am sure the Secretary will do everything he properly can in the matter.

Mr. COPELAND. I am going to retire to the cloakroom now in order to learn the effect of the very kindly intercession of the junior Senator from Texas [Mr. CONNALLY]. I know his influence is such that there will be an immediate response.

Mr. CONNALLY subsequently said: Mr. President, I desire to invite the attention of the senior Senator from New York [Mr. COPELAND] to the fact that the junior Senator from Texas, at the urgent insistence of the senior Senator from New York, has just consulted the Department of State on the telephone. One of the Assistant Secretaries has advised me that the Department has been constantly in touch with the American Embassy in Moscow regarding the two missing persons referred to by the Senator from New York; that while they have not been able to secure much information from Soviet authorities, the Department is expecting another—not the first, but another—cable this afternoon some time. They are very hopeful that they will be able to secure some information as to the whereabouts of the very handsome couple to whom the Senator from New York has alluded. I suggested to the Senator from New York that he contact the Department late this afternoon or early Monday morning and he may possibly get some information with respect to his two missing constituents.

Mr. President, in reaffirmation of what I stated a little while ago, I repeat that while we do not always get the results from the State Department we desire, my experience with the Department under the secretaryship of Mr. Hull has always resulted in the most cordial cooperation and the exercise of all the functions and powers of the State Department in every proper manner.

Mr. COPELAND. Mr. President, I am very much obliged to the Senator from Texas. He has told me, but in better words than I received the information, exactly what I knew before. I have known of what was going on; but it should be helpful to the State Department to know that the Senate of the United States and through the Senate the people of the United States are back of the State Department in any activities they may take in this manner.

I regard it as a matter of immediate concern. The danger of delay is too great, and serious results come about. We have had some pleasant remarks about this affair, but of course what the Senator from Texas has done I am sure will be helpful. I wish every other Senator would call up the State Department and indicate a like interest in the problem because the more it is known in the Department how we feel about the matter, the more it is realized that we have a direct interest in the result, the more energetic will be the action of the Department and the more enthusiastic their efforts, and the greater the likelihood of their gaining response from across the seas.

I would not have it thought for a moment that I reflect upon the State Department or upon the very efficient Secretary or the Assistant Secretary. I think the Department is well manned. But that does not make any difference. It does not make any difference how efficient or able our people in the State Department are; when two citizens of the United States disappear and when the whole world is agog to know why they have disappeared and where they are it concerns us in the Senate. It certainly is incumbent upon us as Senators of the United States to do our part to see that these missing persons are restored to safety.

I thank the Senator and I really am serious when I express the hope that other members of the Committee on Foreign Relations will follow the worthy example of the Senator from Texas and make a like appeal to the Secretary of State.



## EFFECT OF TRADE AGREEMENTS ON THE LACE INDUSTRY

Mr. DAVIS. Mr. President, I ask unanimous consent to have printed in the RECORD a letter which I have received from Mr. George Farmer, secretary of Branch No. 18, Amalgamated Lace Operatives of America, together with my reply to him, including statements which I made in the Senate on the subject of the perilous influence of the trade-agreements program on the lace industry in this country.

There being no objection the matters were ordered to be printed in the RECORD, as follows:

AMALGAMATED LACE OPERATIVES OF AMERICA,  
Philadelphia, Pa., December 9, 1937.

Senator DAVIS:

DEAR SIR: I have been requested by the members of this branch to bring to your attention the deplorable condition of the lace industry in this country.

Since the trade agreement went into effect with France, and the constant depreciation of the French currency, conditions are getting worse each month.

At the present time 50 percent of the lace mills are closed down from the lack of orders, the other 50 percent operating on a 25 percent time basis.

The unemployment in this industry is so acute that members are becoming destitute.

We therefore beg of you to take immediate action by seeing that something is done in reference to the modification of the paragraph confined to laces in the trade agreement.

Very truly yours,

GEORGE FARMER, Secretary, Branch No. 18.

DECEMBER 11, 1937.

Mr. GEORGE FARMER,  
Secretary, Branch No. 18,  
Amalgamated Lace Operatives of America,  
6136 Alma Street, Philadelphia, Pa.

DEAR Mr. FARMER: I have your letter of December 9 stating that 50 percent of the lace mills are closed down from lack of orders, and the remaining 50 percent operating only on a 25-percent basis. You indicate that conditions have grown worse each month since the trade agreement with France was negotiated. Back in 1934 I predicted that the lace industry in this country would be destroyed if the administration's attack on trade protection was continued.

I made a number of speeches at that time on this subject on the floor of the Senate. I am enclosing copies of a portion of my remarks. It is noteworthy that agriculture has protested these trade agreements recently as well as the shoe industry. We are apparently sacrificing the best interests of our own citizens for no better purpose than to uphold a theory of world trade which is out of harmony with present economic and political trends.

I expect to continue to do all in my power to awaken the administration to the tragic loss sustained by your industry. I shall appreciate a full statement from you as the status of the lace industry in Pennsylvania today as compared with 1933.

Very sincerely yours,

JAMES J. DAVIS.

[Extracts from remarks of Senator DAVIS in the Senate]

(April 19, 1934:)

Mr. President, there came to my office this morning a committee representing Pennsylvania lace workers. Their spokesman, Mr. James F. Boyle, of Wilkes-Barre, Pa., informed me if the tariff act passed by the House of Representatives and now pending before the Senate is passed by the Senate thousands of Pennsylvania lace workers will be out of work.

It seems to me that at this time it would be very unwise for us to repeal the tariff on lace. The eminent Senator from Rhode Island [Mr. Hebert] delivered a very able address on this particular subject last week. He informed us there were \$25,000,000 invested in the industry in the United States; that it provided six States, Pennsylvania included, 8,000 operatives, actually employing 15,000 workers.

Why discontinue protection to this American industry, and close down our own plants to give work to French and English workers, with the hope—and that is all we can expect it to be—that the French and English workers will purchase some of our agricultural and manufactured products? The differential in cost is in wages only.

In these most difficult times I do not favor sharing the home market with those of foreign lands who are our competitors.

I ask unanimous consent to have an editorial on this subject, which appeared in the Wilkes-Barre Record under date of April 17, printed in the RECORD.

(This extended editorial indicated that Secretary Wallace had marked the lace industry in the United States as inefficient and subject to being eliminated on a lower tariff altar, despite the fact that one of the Wilkes-Barre mills had been in operation for 50 years at that time and the other 43 years.)

(May 3, 1934:)

Mr. President, the administration has insisted that the salvation of the United States and of the world depends upon the reduction of tariff rates on certain stipulated competitive articles. I would

not wish to assent to this principle before the people of this country shall have had a full opportunity to know what such procedure will cost us in closed factories, increased unemployment, and the further impediment of American industry. I am unable to comprehend how we can expect to keep our factories open, many of them now only working part time, by lowering the tariff, thus giving our foreign competitors the American market. How can we hope to increase employment in this country by encouraging Americans to buy foreign competitive products at this time when even in normal times many of our own factories and mills operate not more than 7 months in each year?

We must defeat all proposals that do not openly protect the American standard of living and wages. We must increase rather than destroy the purchasing power of our American worker. I propose a plan that will not only protect the buying power of America, but increase the buying power of the people throughout the world.

Therefore, I present an amendment to the bill (H. R. 8687) to amend the Tariff Act of 1930.

"On page 3, after line 16 insert the following:

"(b) No agreement under the provisions of this act shall be concluded with any foreign country with respect to articles in the production of which labor standards, as reflected in wages, living scales, and labor costs, are lower than those which obtain in the production of the comparable articles in the United States."

(On May 12, 1934:)

If we are to follow the advice of the Secretary of Agriculture, we can readily see that the destinies of certain doomed industries will be placed in the hands of Presidential advisers who under this proposed act may bargain away and ruin the existing industry through competing imports from foreign countries. It may be argued that there is no such intention. However, in the case of the lace industry the intention of using it for bargaining purposes has been specifically mentioned by the spokesman of the Government. It must be presumed, therefore, that if the bill shall be passed in its present form and the President's advisers shall succeed with their program, the duties on lace will be reduced from 90 to 45 percent ad valorem. No greater reduction than 50 percent is permitted by the bill. Without doubt this would mean the prompt stoppage of all employment in the lace and kindred industries in our country.

The lace mills established here today represent a capital investment of at least \$20,000,000 and give employment to 15,000 workers. The industry here would be disorganized and these thousands of people thrown upon relief rolls or put out on the street. It may be possible that the laces which at present are made in this country could be purchased from some European or Asiatic country, but we should not forget that their wages amount to less than 25 percent of those which our workers receive, and in the case of China they amount to practically nothing.

On June 4, 1934, the following amendment was suggested by Senator DAVIS to the reciprocal-trade-agreements bill:

"No foreign-trade agreement shall be entered into under the provisions of this act with respect to laces or braids, made on a braiding machine, classified under paragraph 1529 (a) of the Tariff Act of 1930."

Senator DAVIS stated:

"Mr. President, the workers in this country now have only 2 days' work a week; and I cannot quite understand why we should in any way share this work with workers in a foreign land. Shoe laces, and braid made on a braiding machine suitable for use as shoe laces, constitute a very important industry in the United States and give employment to a large number of people.

"I ask for a vote on the amendment."

(Then Senator Hebert, of Rhode Island, made a short speech indicating that he had an amendment similar to that of Senator DAVIS. A vote was taken on Senator DAVIS' amendment and it was rejected.)

MESSAGE FROM THE HOUSE—HOUSE AGRICULTURAL RELIEF BILL  
PLACED ON THE TABLE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had passed a bill (H. R. 8505) to provide for the conservation of national soil resources and to provide an adequate and balanced flow of agricultural commodities in interstate and foreign commerce, in which it requested the concurrence of the Senate.

Mr. BARKLEY. I request that the bill just received from the House may be twice read by its title, printed, and lie on the table.

There being no objection, the bill (H. R. 8505) to provide for the conservation of national soil resources and to provide an adequate and balanced flow of agricultural commodities in interstate and foreign commerce, was thereupon read twice by its title, and ordered to lie on the table and to be printed.



## AGRICULTURAL RELIEF

The Senate resumed the consideration of the bill (S. 2787) to provide an adequate and balanced flow of the major agricultural commodities in interstate and foreign commerce, and for other purposes.

Mr. BARKLEY. Mr. President, I call for the regular order.

The PRESIDING OFFICER. The regular order is called for. The clerk will state the next amendment.

The next amendment of the Committee on Agriculture and Forestry was, on page 70, after line 6, to insert:

15. "Tobacco" means each of the kinds of tobacco listed below, comprising the types specified as classified in Service and Regulatory Announcement No. 118, of the Bureau of Agricultural Economics of the Department of Agriculture:

Flue-cured tobacco, comprising types 11, 12, 13, and 14;  
Fire-cured tobacco, comprising types 21, 22, 23, and 24;  
Dark air-cured tobacco, comprising types 35, 36, and 37;  
Burley tobacco, comprising type 31;  
Maryland tobacco, comprising type 32; and  
Cigar-filler and cigar-binder tobacco, comprising types 41, 42, 43, 44, 45, 46, 51, 52, 53, 54, and 55. The provisions of this act shall apply to such kinds of tobacco severally.

Mr. BARKLEY. Mr. President, at the end of line 23, in order that the different types of tobacco without any doubt at all may be considered as independent of one another, it was suggested that after the word "severally" the words "and respectively" should be inserted. I think that would make it clear that different types of tobacco should stand on their own merits. I believe such an amendment was intended to be offered by the Senator from North Carolina.

Mr. BAILEY. Mr. President, I now offer the amendment.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 70, in line 23, after the word "severally", it is proposed to insert "and respectively", so the sentence would read:

The provisions of this act shall apply to such kinds of tobacco severally and respectively.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from North Carolina to the amendment of the committee.

The amendment to the amendment was agreed to.

The PRESIDING OFFICER. Without objection, the committee amendment inserting section 15, on page 70, with the exception of line 19, is agreed to. The clerk will state the next amendment of the committee.

The next amendment was, on page 70, after line 23, to insert:

16. "Corn" means field corn.

The amendment was agreed to.

The next amendment was, on page 71, in line 6, after the word "thereof", to strike out the semicolon and "or within any Territory or within the District of Columbia or Puerto Rico"; at the beginning of line 9, to strike out "5" and insert "18"; in line 10, after the word "means", to insert "among other things,"; at the beginning of line 15, to strike out "6" and insert "19"; at the beginning of line 18, to strike out "7" and insert "20"; at the beginning of line 20, to strike out "8" and insert "21"; at the beginning of line 23, to strike out "9" and insert "22"; in line 24, before the word "means", to insert "in the case of wheat and corn", so as to read:

17. The term "interstate or foreign commerce" means sale, marketing, trade, and traffic between any State or Territory or the District of Columbia or Puerto Rico, and any place outside thereof; or between points within the same State or Territory or within the District of Columbia or Puerto Rico, through any place outside thereof.

18. The term "affect interstate or foreign commerce" means among other things, in such commerce, or to burden or obstruct such commerce or the free and orderly flow thereof; or to create or tend to create a surplus of any major agricultural commodity which burdens or obstructs such commerce or the free and orderly flow thereof.

19. The term "United States" means the several States and Territories and the District of Columbia and Puerto Rico.

20. The term "State" includes a Territory and the District of Columbia and Puerto Rico.

21. The term "Secretary" means the Secretary of Agriculture, and the term "Department" means the Department of Agriculture.  
22. The term "for market" in the case of wheat and corn means for disposition by sale, barter, exchange, or gifts, etc.

The amendments were agreed to.

The next amendment was, on page 72, line 1, before the word "livestock", to insert the words "poultry or", so as to read:

22. The term "for market" in the case of wheat and corn means for disposition by sale, barter, exchange, or gift, or by feeding (in any form) to poultry or livestock which, or the products of which, are to be sold, bartered, exchanged, or given away; and the terms "marketed" or "to market" mean to dispose of in any such manner. Such terms shall not include consumption on the farm.

Mr. AUSTIN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. AUSTIN. The Senator from New York [Mr. COPELAND] and I had printed certain amendments, which included an amendment on page 72, line 1, to strike out the words "poultry or" and to insert after the word "livestock" the words "except dairy cattle." I ask whether that amendment is in order at this time.

The PRESIDING OFFICER. It is the understanding of the present occupant of the Chair that the amendments involving dairy practices and dairy cattle are to go over under an agreement to take them up together at some time when the Senate is ready to proceed to their consideration. The amendment, on line 1, to which the Senator refers should go over with the other similar amendments.

Mr. AUSTIN. Very well. I am satisfied with that.

The PRESIDING OFFICER. The clerk will state the next amendment.

The next amendment of the committee was, on page 72, line 6, to strike out "10. A major agricultural commodity", and to insert in lieu thereof "23. Wheat and corn", so as to read:

23. Wheat and corn shall be deemed consumed on the farm if consumed by the farmer's family, employees, or household, or by his work stock; or if fed to poultry or livestock on his farm and such poultry or livestock, or the products thereof, are to be consumed by his family, employees, or household.

Mr. COPELAND. Mr. President, I think this paragraph should go over also, because I have an amendment to be offered to the paragraph in connection with the dairy matter.

The PRESIDING OFFICER. Is there objection?

Mr. MCGILL. Mr. President, does the Senator ask to have the committee amendment go over?

Mr. COPELAND. No; but I thought the section should go over.

Mr. MCGILL. We are simply acting on the committee amendment.

Mr. COPELAND. If that is actually the legislative situation, I may say that I have no objection to the committee amendment.

Mr. McNARY. It would be all right if we refer merely to the part stricken, "10. A major agricultural commodity." But when we consider the matter of the insertion of "wheat and corn" we must reflect that corn is the subject matter which the Senator from New York has in mind. I think the amendment should go over, if not the other portion.

Mr. BARKLEY. Mr. President, I understand the amendment of the Senator from New York pertains to the consumption of corn, not to the fact that it may be included. He wants a limitation on the consumption of corn in that paragraph, and therefore there would be no prejudice in having this corn amendment agreed to, because his amendment goes to the text of the bill, as a limitation on the use of corn.

The PRESIDING OFFICER. It is the opinion of the parliamentarian that the amendment which the Senator from New York has in mind, to go at the end of the section, would not in any way be prejudiced by the adoption of the committee amendment.



Mr. COPELAND. I have no objection to the committee amendment, if the matter is left open so that my amendment may be later considered.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee on page 72, line 6.

The amendment was agreed to.

The next amendment was, on page 72, after line 11, to insert:

24. The term "person" means an individual, partnership, firm, joint-stock company, corporation, association, trust, estate, or any agency of the State.

The amendment was agreed to.

The next amendment was, on page 72, after line 14, to insert:

25. The term "tilled land" means the acreage devoted to soil-depleting row crops and all other soil-depleting feed crops the previous year.

The amendment was agreed to.

The next amendment was, on page 72, after line 17, to insert:

26. The yields and production for the crop year 1937-38 shall be included in any determinations of yields or production made for 1938.

The amendment was agreed to.

The next amendment was, on page 72, after line 20, to insert:

27. The term "for market" in the case of cotton and tobacco means for disposition by sale, barter, exchange, or gift; in the case of rice, for disposition in any of such ways for use in human consumption.

The amendment was agreed to.

The next amendment was, at the top of page 73, to insert:

28. "Marketing" means disposing of by sale, barter, exchange, or gift, and in the case of rice disposing of rice in any such ways for use in human consumption.

The amendment was agreed to.

The next amendment was, on page 73, line 4, to insert the subhead "Administrative provisions."

The amendment was agreed to.

The next amendment was, on page 73, at the beginning of line 5, to strike out "(b)" and insert "Sec. 62. (a)", and in line 13, after the word "the" where it occurs the second time, to strike out "major", so as to read:

#### ADMINISTRATIVE PROVISIONS

Sec. 62. (a) Hearings: The terms and conditions of adjustment contracts and loans thereunder, the regulations under this act or with respect to such contracts, the time and manner of keeping records and making reports, and the amount of any ever-normal granary and of any diversion percentage shall be prescribed or proclaimed by the Secretary only after opportunity for public hearing held upon not less than 3 days notice and at a convenient place within the principal area or areas where the agricultural commodity or commodities concerned are produced.

The amendment was agreed to.

The next amendment was, on page 73, at the beginning of line 15, to strike out "(c)" and insert "(b)", and in the same line, after the words "Utilization of local agencies", to insert:

(1) The Secretary shall designate local administrative areas as units for the administration of programs carried out pursuant to this title, the Soil Conservation and Domestic Allotment Act, and such other agricultural laws as he may specify. Farmers having farms lying within any such local administrative area, and participating or cooperating in programs administered within such area, shall elect annually from among their number a local committee for such area. The chairmen of all such local committees within any county shall constitute a county committee for the county which shall elect from its members an administrative committee of three. The county agricultural agent shall be a member, ex officio, of the county committee and of the administrative committee. There shall be a State committee for each State composed of the State director of agricultural extension, ex officio, and of four farmers resident within the State to be appointed by the Secretary. Before appointing any appointive member of a State committee the Secretary shall consult with, and give consideration to such recommendations as are made by, the State director of agricultural extension and authorized representatives of leading

State-wide farm organizations within the State. The Secretary shall make such regulations as are necessary to carry out the provisions of this subsection, including regulations to carry out the functions of the respective committees and for the administration within any State, through the State, county, and local committees within such State, of such programs. No payments shall be made to a member of any State, county, or local committee of any State for compensation or otherwise except solely for services performed or expenses incurred in administering such programs within such State.

Mr. GEORGE. Mr. President, I have suggested two amendments to the administrative section, which have been examined by the co-authors of the bill, and I understand the first amendment is without objection so far as the Department is concerned. I offer that amendment now. Unfortunately, the form in which it was prepared has been displaced, and I do not have it before me, but I offer the amendment, beginning with the word "the", at the end of line 2, on page 74. The language at present is:

The county agricultural agent shall be a member ex officio of the county committee and of the administrative committee.

In lieu of that I propose to insert this sentence:

The county agricultural agent shall be the secretary ex officio of the county committee and the representative of the Secretary in the county.

I understand there is no particular objection to that, and it is substantially the set-up now existing.

Mr. MCGILL. What does the Senator mean by providing that the county agent shall be a representative of the Secretary in the county?

Mr. GEORGE. Within the county in the administration of the several laws he acts for the Secretary. At the present time that is the capacity in which he functions, in the making of contracts, and in the approval of various matters which come before the committee.

Mr. McNARY. It is evidently the desire of the distinguished Senator to eliminate the county agent from the county committee.

Mr. GEORGE. As a member of the committee?

Mr. McNARY. That is what I mean; that is implied. What does the Senator provide as to county agent with respect to the administrative committee?

Mr. GEORGE. I think he is eliminated from the administrative committee by the language which I suggested, except that he becomes the representative of the Secretary in the county. He is not a member of the administrative committee.

Mr. McNARY. The Senator wants to remove him from membership on the county committee and the administrative committee?

Mr. GEORGE. Yes; but to make him ex officio the secretary.

Mr. McNARY. To give him a clerical status?

Mr. GEORGE. Purely a clerical status, rather than an official status. That is the first amendment which I have offered, and it is merely in lieu of the sentence which begins with the last word on line 2 at the top of page 74.

Mr. MCGILL. The Senator's amendment would not in anywise change the county committee except that it would exclude the county agent as a member of it?

Mr. GEORGE. That is correct. He would retain a clerical position.

Mr. MCGILL. It would leave the selection of the county committee to the farmers?

Mr. GEORGE. Oh, yes; exactly as is now provided. The purpose of the amendment which I offer is to make the county agricultural agent the secretary of the committee ex officio, and not a member of the committee. He is not now a member, and I think very serious objection could arise to his becoming a member of the committee; but he retains his status as it now is under the several acts administered by the Secretary of Agriculture.



Mr. POPE. May I ask the Senator whether or not it is the general practice now that the county agent is secretary of the committee?

Mr. GEORGE. He is, and serves as such.

Mr. POPE. I have no objection to that amendment. I think it is desirable.

Mr. GEORGE. May I have a vote upon the amendment?

The PRESIDING OFFICER. The amendment to the committee amendment will be stated.

The CHIEF CLERK. On page 74, line 2, it is proposed to strike out:

The county agricultural agent shall be a member ex officio of the county committee and of the administrative committee.

And to insert in lieu thereof:

The county agricultural agent shall be the secretary ex officio of the county committee and the representative of the Secretary in the county.

The amendment to the amendment was agreed to.

Mr. GEORGE. Mr. President, I offer another amendment. I must make the same statement that I have just made with reference to the amendment just adopted—that I have lost the text of the amendment, and therefore shall have to perfect it from the committee amendment itself as it appears on page 74.

In line 5, page 74, I move to strike out, after the word "committee", all of the language down to and including the word "and", in line 6, and in lieu of the word "four" at the end of line 6 to insert "five", so that the sentence would then read:

There shall be a State committee of five farmers resident within the State to be appointed by the Secretary.

While it is not technically a part of the same amendment, I should state at this time, so that the purpose of the whole amendment may be understood, that after the word "extension", in line 11, I shall move to insert a comma and the words "the regional director", so that all the amendments proposed would make the language read:

There shall be a State committee of five farmers resident within the State to be appointed by the Secretary. Before appointing any appointive member of a State committee the Secretary shall consult with, and give consideration to such recommendations as are made by, the State director of agricultural extension, the regional director and authorized representatives of leading State-wide farm organizations within the State.

I am not so much concerned about the latter provision, but the committee has inserted it—that is, the provision as to authorized representatives of leading farm organizations within the State.

The effect of those several amendments would be the removal from the State committee of the State director, and the requirement that the Secretary consult with and take the recommendations of the State director, the regional director, and the farm organizations before the selection of the five farmers to compose the State committee. That is not exactly the form in which I submitted the amendment to the Senators in charge of the bill; but it is in substance the amendment, except that in the amendment submitted the Secretary was to make the appointment upon the recommendation of the State and regional directors. This amendment is, of course, somewhat different in its language, and I thought it might be accepted and go to conference. I am not familiar with the text of the House bill upon this particular subject.

Mr. POPE. Mr. President, will the Senator yield?

Mr. GEORGE. I yield.

Mr. POPE. I ask the Senator if he thinks the recommendation of the regional director, who himself is appointed by the Secretary, would be appropriate or helpful. The matter may be relatively unimportant.

Mr. GEORGE. I agree with the Senator that it might not be appropriate, because the regional director is appointed by the Secretary, and he would be available to the Secretary anyway.

Mr. McGILL. Mr. President, the amendment of the Senator from Georgia will not in any way harm the situation. In

all probability the Secretary would confer with the regional director in any event.

Mr. GEORGE. I think that is true.

Mr. McGILL. The Senator leaves the requirement that he shall confer with the Director of the Extension Service but removes the Director of Extension as a member of the committee ex officio. The amendment would leave him eligible to appointment, provided he was a farmer.

Mr. GEORGE. Yes; so far as that goes; but as the director he is not ex officio a member of the committee, and the committee is to be composed of five farmers.

Mr. GILLETTE. Mr. President, will the Senator yield?

Mr. GEORGE. I yield.

Mr. GILLETTE. Has the Senator from Georgia offered the amendment that he has been discussing at this time?

Mr. GEORGE. Yes; I have offered the amendment.

Mr. GILLETTE. The amendment covers the same portion of this section to which I wish to refer. I desire to amend the amendment offered by the Senator from Georgia. I shall speak of it briefly.

The Senator, in his amendment, is using the language of the present committee amendment providing that the membership shall be composed of farmers resident within the State. I am of the opinion that "residents within the State" may be construed to be something entirely different from "legal residents of the State." I should very much dislike to have the language construed to mean that one who was not a legal resident of the State could be a member of the committee; in other words, that a farmer from another State could be a member.

As an amendment to the amendment of the Senator from Georgia, I move to strike out the words "resident within" in the amendment as he proposes it, and to substitute in lieu thereof "who shall be a legal resident of."

Mr. GEORGE. I have no objection.

Mr. POPE. Mr. President, will the Senator yield?

Mr. GEORGE. I yield.

Mr. POPE. I understand that on page 74, line 5, the Senator proposes to strike all the words out after the word "committee" down to and including the word "and" in line 6. Is that correct?

Mr. GEORGE. The Senator is correct. The effect of it is simply to remove the State director.

Mr. McGILL. I suggest that the Senator allow the words "for each State" to remain following the word "committee", and strike out the words "composed of the State director of agricultural extension, ex-officio, and", down to and including the word "and." I think the words "for each State" following the word "committee", make the language a little clearer.

Mr. GEORGE. I shall be glad to accept that amendment; that is, to strike out the words after "State."

The PRESIDING OFFICER. Will the Senator restate the last proposed amendment?

Mr. GEORGE. The language would read:

There shall be a State committee for each State—

The PRESIDING OFFICER. The Senator's amendment will begin, then, with the word "composed"?

Mr. GEORGE. The amendment will then strike out, beginning with the word "composed", in line 5, and the language following, down to and including the word "and" in line 6.

Mr. McNARY. Mr. President, the amendments have been clearly indicated by the Senator from Georgia without any reason being assigned therefor. It appears that what the Senator is accomplishing is to strike out the director of agricultural extension and to strike out the county agent. It is aimed at those officials.

Mr. GEORGE. No; it is not aimed at them.

Mr. McNARY. It takes them out of the membership.

Mr. GEORGE. It is intended to do that.

Mr. McNARY. What reason has the Senator? I probably shall not object to it.

Mr. GEORGE. The reason is that in the judgment of a great many who have conferred with me—and I share their



belief—the agricultural agent and the State director of extension should not become members of the committee, because they should not be placed in a position where their official acts might subject the service itself to criticism which may arise during and as a result of the administration of the bill. The county agent and the director have heretofore served not as members of these committees but purely in clerical positions and, of course, in advisory positions to the committees. That has been particularly true of the county agent. That is the only purpose I have, Mr. President.

Mr. MCGILL. Mr. President, will the Senator yield?

Mr. GEORGE. I yield.

Mr. MCGILL. I should like to suggest to the Senator that he limit his amendment to strike out to begin after the word "of" in line 5, so that it will read:

There shall be a State committee for each State composed of five farmers—

Mr. GEORGE. I should have no objection to that.

Mr. MCGILL. Then it would continue:

Who shall be legal residents of the State.

I understood that the Senator accepted the suggestion of the Senator from Iowa.

Mr. GEORGE. I did; yes.

Mr. MCGILL. "Who shall be legal residents of the State." I think that would correct the language and accomplish the end that the Senator desired.

Mr. GEORGE. Exactly. That is all I had in mind.

Mr. President, I offer that amendment. In view of my withdrawal of the language "the regional director," suggested in line 11, I believe that will cover all the changes I have made.

Mr. President, I repeat that I should like to see this amendment adopted, so that in conference it may be given due consideration, if perhaps the text of the House bill should preclude the consideration of it in the form in which it now stands.

The PRESIDING OFFICER. The Chair would like to state the parliamentary situation.

The Senator from Iowa [Mr. GILLETTE] offered an amendment to the one offered by the Senator from Georgia. The parliamentary clerk calls the attention of the Chair to the fact that that is outside the amendment offered by the Senator from Georgia. It is not necessary to offer it at this time. If it were within the amendment of the Senator from Georgia it would be an amendment in the third degree and would be out of order, anyway.

The clerk will state the amendment of the Senator from Georgia.

The CHIEF CLERK. On page 74, in line 5, it is proposed to strike out "the State director of agricultural extension, ex officio," and, in line 6, to strike out "four" and insert "five."

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Georgia to the amendment of the committee.

The amendment to the amendment was agreed to.

Mr. MCGILL. May we have the entire amendment stated, so that we will know just how it reads?

The CHIEF CLERK. On page 74, line 4, the committee amendment, as amended, would read:

There shall be a State committee for each State composed of five farmers resident within the State, to be appointed by the Secretary. Before appointing any appointive member of a State committee—

And so forth.

Mr. MCGILL. I understood that the Senator from Georgia desired to include in his amendment the suggestion made by the Senator from Iowa [Mr. GILLETTE] so that it would read:

There shall be a State committee for each State composed of five farmers who shall be legal residents of the State.

The PRESIDING OFFICER. It is not the understanding of the Chair or of the clerks at the desk that the Senator

had accepted the amendment of the Senator from Iowa as a part of his amendment.

Mr. GEORGE. Mr. President, I did accept it, and embraced it within my amendment, because I take it to mean that it undertakes to make certain what otherwise probably is meant by the present text. I understand that there is no objection to the language proposed by the Senator from Iowa. I shall be pleased either to offer it as a separate amendment now or to accept it as part of the amendment offered, since it clarifies it.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 74, after the words "five farmers" in lines 6 and 7, it is proposed to strike out "resident within" and insert "who shall be legal residents of."

The PRESIDING OFFICER. Without objection, the amendment to the amendment is agreed to.

Does the Senator from Georgia wish to withdraw the amendment offered by him on line 11?

Mr. GEORGE. Yes, Mr. President; I do not think that is material.

The PRESIDING OFFICER. The question is on agreeing to the amendment reported by the committee, as amended.

The amendment, as amended, was agreed to.

The next amendment was, on page 74, at the beginning of line 23, to insert "(2)"; in the same line, after the word "directed", to strike out "to provide for the administration of this title through State-wide and local committees or associations of farmers wherever practicable and to make payments to such committees or associations of farmers" and insert "to make payments to State, county, and local committees of farmers hereinbefore authorized,"; on page 75, line 6, after the word "contracts", to insert "or other offers"; in line 8, after the word "committee", to strike out "or association"; in line 11, after the word "thereunder", to insert "unless payment of such expenses is otherwise provided by law", so as to read:

(2) The Secretary is authorized and directed to make payments to State, county, and local committees of farmers hereinbefore authorized, to cover the estimated administrative expenses incurred or to be incurred by them in cooperating in carrying out the provisions of this act. Adjustment contracts or other offers shall provide that all or part of such estimated administrative expenses of any such committee may be deducted pro rata from the Soil Conservation Act payments, parity payments, or surplus reserve loans made thereunder unless payment of such expenses is otherwise provided by law.

Mr. VANDENBERG. Mr. President, this amendment relates to the personnel and the expense of administration. I ask the sponsors of the bill whether any estimate is available respecting the extent of the personnel which will be necessary for administration and the expense of administration.

Mr. POPE. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Michigan yield to the Senator from Idaho?

Mr. VANDENBERG. I do.

Mr. POPE. In the appropriation provisions of the bill, \$10,000 is appropriated for administration. So far as I can determine, all of the present machinery of the Department of Agriculture will be used, or, at any rate, such personnel as they have will be used in connection with it. It might require some additional personnel; but the best information I can get from the Department is that very little, if any, additional personnel will be necessary.

Mr. VANDENBERG. Can the Senator tell me, then, what the existing personnel totals and the expense attached thereto?

Mr. POPE. Does the Senator mean the existing personnel of the entire Department of Agriculture?

Mr. VANDENBERG. Oh, no. I refer to the personnel and the expense of the field work incidental to the Soil Conservation Act and the other activities that are embraced within this program.

Mr. POPE. I cannot give the Senator the figures. One could obtain the information by inquiry.



Mr. HATCH. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Michigan yield to the Senator from New Mexico?

Mr. VANDENBERG. I do.

Mr. HATCH. The Senator will recall that the provision which is now under consideration relates largely to the expenses in the field, which we are informed in the committee had been paid by deductions from the checks themselves, the amount allotted to the farmers. Therefore, there has been no additional cost at all to the Government on account of these expenses. They come out of the checks to the farmers; and even the farmers themselves desired to continue that plan, because they were thereby able to keep down the expenses. In many districts it is costing practically nothing, because the committee members are serving without pay in order that their benefit payments may be larger.

Mr. POPE. I may say that that statement applies particularly to the county committees and the local administration. Of course, the employees of the Department in Washington, and those who travel out of Washington, are paid from an appropriation for the Department; but so far as the local employees are concerned, the Senator from New Mexico is correct. That expense is really paid by the farmers in the localities.

Mr. O'MAHONEY. Mr. President, I desire to direct an inquiry to the Senator from Idaho [Mr. POPE]. Why is the word "estimated" used in line 4, page 75? The provision seems to be that the Secretary is authorized to make payments "to cover the estimated administrative expenses." Why not drop the word "estimated", and authorize him to make payments to cover the administrative expenses?

Mr. POPE. For the reason that in the operation of this work, budgets are submitted estimating the expenses of the various county committees, and then the necessary amounts are advanced to them in order that they may go ahead and do business. The deductions are made at the end of the year; so it would not be practicable for them to go ahead and carry on the work and wait for the deductions which are made from their benefit checks.

Mr. O'MAHONEY. Is there any limitation in the bill or anywhere else upon the amount of payments for administrative expenses that may be made to particular individuals? Is there a per diem limitation of any kind?

Mr. POPE. In the bill?

Mr. O'MAHONEY. Or anywhere else?

Mr. POPE. So far as I know, there is not. The bill itself does not deal with that matter.

Mr. O'MAHONEY. Does not the Senator feel that it would be well to have such a limitation?

Mr. POPE. It would be a difficult matter to set out the salary schedule or per diem payments, because there are many part-time employees. Some work part time, some even work part day, and are paid accordingly.

Mr. O'MAHONEY. Who makes the estimates?

Mr. POPE. The Secretary. First, the estimate is made by the county committee in the form of a budget.

Mr. O'MAHONEY. We may find ourselves, then, in the position of providing by law authority to the Secretary to make payments upon the basis of estimates which are made, not by any Government authority but by the committees themselves. It is just a matter of controlling expenditures. It seems to me to be perfectly clear that the Federal Government should retain within its own hands power to fix the estimates; otherwise, there is no limit at all upon the expenditures.

Mr. POPE. Let me say to the Senator that the committees make estimates of the expenses which it will be necessary to incur; and, as already pointed out by the Senator from New Mexico [Mr. HATCH], those estimates are quite carefully and economically made, because the expenses come out of the benefit payments to the farmers.

Mr. O'MAHONEY. Oh, I have no doubt the act is economically administered. I have no criticism at all upon that score.

Mr. POPE. Then, after the payments are made, the Secretary takes them into consideration in determining what amount may be advanced.

Mr. O'MAHONEY. My point is that there ought to be an upper limit. We should not write a blank check. That is what this amounts to, as I understand the Senator's explanation.

Mr. POPE. I do not believe it amounts to writing a blank check.

Mr. CONNALLY. Mr. President, I ask the Senator if it is not true that in handling seasonal crops, where there is a tremendous rush all at one time, these committees have to employ a large number of local persons just for a short period of time; and if it were necessary to wait and pay them until the payments were preaudited and audited, and all that, it would be wholly impracticable for the committee to operate. As a matter of fact, while the committees make up this budget, they are not authorized to spend the money until the budget has been approved by the Secretary, as I understand.

Mr. POPE. Exactly so.

Mr. CONNALLY. So, after all, the Secretary's approval does make it a governmental allocation in a sense.

Mr. POPE. Yes; and the Secretary at all times has complete control of the expenditure. He receives these estimates to guide him in advancing money in order that the work may continue, but the expenditure is entirely within his control at all times, and in the final analysis he decides what it shall be.

Mr. CONNALLY. The point I was making in answer to the Senator from Wyoming is that the Secretary's action does amount to a governmental allocation or allotment of these funds, subject only to the condition that if they are not expended they are returnable to the fund, and go back to the benefit-payment fund.

Mr. POPE. I think so; yes.

Mr. O'MAHONEY. That would not be true at all, as I see the matter, if I may interrupt the Senator.

Mr. CONNALLY. I beg the Senator's pardon, but the Senator from Idaho [Mr. POPE] says that is the case.

Mr. O'MAHONEY. There is no question that it is the case that the Secretary would pass upon the estimates; but, as the language is drawn, there would be no limit upon his discretion.

This section would be seriously in need of amendment if it were not for the fact to which the Senator from New Mexico [Mr. HATCH] has just called my attention; namely, that the provision here is that these estimated expenses shall come out of the parity payments to be made to the farmers in the locality, so that acts as a brake. Without that brake, the sky would be the limit; but I feel sure that the farmers would not permit their parity payments or their benefit payments to be reduced for unnecessary administrative expenses.

Mr. HATCH. Mr. President, I merely wish to say that I concur exactly in what the Senator from Wyoming has said; and I feel that the best brake we have is the local brake put on by the farmers themselves. They are not going to waste and dissipate their own parity payments.

Mr. RUSSELL. Mr. President, I cannot agree with the Senator from New Mexico and the Senator from Idaho about the economy in the administration of these acts. It developed in the hearings before the subcommittee of the Appropriations Committee handling the Agricultural Department appropriation bill that over 10 percent of the entire appropriations for soil-conservation purposes has been spent for administration. In other words, in spending \$440,000,000 for soil-conservation purposes, \$44,000,000 which should have gone to the farmers in payments were consumed in costs of administration; and when the consideration of the committee amendments shall have been concluded I intend to offer an amendment to the bill which will limit the administrative expenses to 6 percent of the appropriation that shall be made.



Entirely too much money has been expended in administrative expenses; and the farmers do not realize that it is coming out of their parity payments in the case of all of the commodities, because it is not taken from each check in the case of all the commodities. In some cases it is paid and then deducted from the total amount which goes to the farmer who receives soil-conservation payments for a specific commodity.

I think that with the experience in administration, which the A. A. A. have had in the past, they should now be able to reduce these administrative expenses below the staggering sum of approximately \$44,000,000. I imagine this year it will run nearer \$50,000,000 out of an appropriation of \$500,000,000. I think some very decided economies can be made in the administration of these funds, and every dollar that is saved in administrative expenses will go to some farmer for soil-conservation payments. For that reason there should be some brake or some limit here on the part of the appropriation which may be consumed for administrative expenses.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield to the Senator from Wyoming.

Mr. O'MAHONEY. Am I to understand that the Senator from Georgia is going to offer an amendment to limit the amount of administrative expenses to not more than 6 percent?

Mr. RUSSELL. Six percent under the estimated expenditure of \$500,000,000 which I understand is contemplated by the bill. That will allow \$30,000,000 for administrative expenses; and I say this program should be administered for \$30,000,000, especially in view of the fact that when a dollar is taken for administration purposes it is taken away from some farmer who otherwise would receive it.

Mr. O'MAHONEY. I hope the Senator will offer that amendment and that it will be adopted, because otherwise I think there is grave danger even with the brake to which the Senator from New Mexico [Mr. HATCH] has alluded, because it is perfectly clear that in some instances, at least, the committees might be interested in having administrative expenses diverted to them from the general payment to the farmers of the community.

Mr. POPE. Mr. President, I think this matter should be made clear.

The Senator from Georgia [Mr. RUSSELL] is approximately correct in saying that it costs about 10 percent to administer the entire Soil Conservation Act; but, of that amount, from 7 to 8 percent is the expense of the county committees and the local authorities which administer the act. Only from 2 to 3 percent is the cost of administration outside of the expenses of the local committees, and the 7 to 8 percent is taken out of the benefit payments. In other words, the payments to the farmers themselves are taken out of the benefit payments, but the expenses of the administration in Washington and, to some extent, in the field are not taken out of the benefit payments. Therefore, the only actual expense to the Government, in the administration of the act, is from 2 to 3 percent; and since the farmers themselves determine these expenses, and since they know that they are coming out of the benefit checks, the tendency is for them to economize and keep down the expenses to the lowest possible point. According to the testimony we had at the time this matter was being considered by the committee, it appeared that there was even some competition between the various county committees to see how low they could keep their expenses, and how economically they could administer their part of the act. So it seemed to me, after hearing the statements, that this arrangement was a very satisfactory arrangement all the way around.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. POPE. I yield.

Mr. McKELLAR. Does not the Senator believe that \$30,000,000 for administration purposes is a very large and bountiful sum? Does he not think, in the present condition, when we are trying to do everything in the world for the benefit of the farmers, that we ought to place a limitation on the

amount to be expended for administration? Surely we ought not to give one-tenth of this very large amount for administrative purposes. That looks like profligacy. That looks like extravagance of the worst kind. I think the committee should agree to the amendment of the Senator from Georgia, and that we should place a limitation of not to exceed 6 percent for the administrative features of the bill.

Mr. POPE. Mr. President, the expenditures may or may not be too large under the 10-percent provision. If some county committees or some of the personnel in effect all along the line are called upon to administer the provisions of this bill in addition to the Soil Conservation Act, I think we should take into consideration the matter of whether or not the amount which they receive for administering the Soil Conservation Act alone would be too great to administer that act as well as this one.

Mr. HATCH. Mr. President, will the Senator yield?

Mr. POPE. I yield.

Mr. HATCH. Does the Senator recall whether it developed in the committee that when the farmer is furnished his check, a statement might well accompany it showing how much was deducted for administrative expenses?

Mr. RUSSELL. I understand that has been done in the case of one commodity.

Mr. HATCH. I make the suggestion to the Senator from Idaho and also to the Senator from Georgia that if knowledge of this matter can be imparted with each check that goes to the farmer, showing exactly how much has been deducted by the local committee for expenses, we will stop any excessive expenditures. That might be a better plan than to put an arbitrary limitation which might be too large or too small.

I merely call it to the attention of the Senator for him to consider in preparing his amendment. I think all we need to do is to have the farmer committee furnish to each individual farmer a statement showing how much is his share of the expenses and how much administration of the act has cost him as an individual. Having that information, they will take care of the situation.

Mr. RUSSELL. What I am interested in, while we are passing what is called a permanent farm bill, is some legislation that will reduce the enormous toll taken from the farmers' payments for expenses. One-tenth of what we have been appropriating has been consumed for those expenses before any money goes to the farmer at all. Doubtless the local committees are economical and I am delighted to hear they have shown a friendly spirit of cooperation in reducing their cost, but the fact remains that in each case the committee itself is paid on a per diem basis and the committee is the judge of how many days it shall operate in supervising and enforcing the act in each area. That is quite a substantial power to give the committee. Many of them fix their own compensation because they are paid by the day and they are enabled to say how many days they shall devote to administering the act. I am not charging that the committees have gone hog wild, but I do know there has been a great difference in the different sections of the country in the matter of the expenses of the local committees. Something should be done to bring it to a uniform basis and to reduce the enormous expenses which are deducted from the funds we are appropriating for the farmer, but which never reach him because of those deductions.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. RUSSELL. Certainly.

Mr. McKELLAR. I agree entirely with what the Senator has said. Does not the Senator think further, when a definite amount for expenses is fixed in the bill, that it should not exceed \$6,000,000, for instance, because that would give notice to the Secretary and all the committees and all who might come under the set-up as to the amount of expenditures that may be made?

Mr. RUSSELL. I do not know that it would be wise to put a limitation of so many dollars, because the appropriations will vary from year to year. However, certainly 6



percent of an appropriation of \$500,000,000 for this year should be sufficient and if in future years the condition of the Treasury would warrant larger appropriations to enable the farmer to get parity for his product, then the administrative expenses might be larger. Certainly 6 percent of \$500,000,000 should be a large enough sum to administer the bill.

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. RUSSELL. Certainly.

Mr. CONNALLY. Has the Senator from Georgia considered this aspect of the situation? The administration of this act deals with so many individuals, millions of farmers. Is it not because of that fact that the percentage of administrative expenses is probably larger than other comparable Government activities? Is not the Senator also aware that much of the complaint we have had about the administration of this act was because of delay, farmers writing in "I have not yet received my check which I ought to have had a month ago"?

Mr. RUSSELL. Does the Senator think the amount appropriated for the Department would have anything to do with it? Under existing law they can spend any portion of the \$500,000,000 they desire to spend.

Mr. CONNALLY. I commend the fine motives of the Senator from Georgia, but is it not also entirely likely that if we limit it to 6 percent, then when the next deficiency bill comes before the Appropriations Committee, that committee, accommodating as it is, would go along with them and appropriate more money for them? Why tie the hands of the Department? I see a smile on the face of the Senator from Tennessee [Mr. McKellar]. How many deficiency bills has the Senator's committee brought out each year?

Mr. McKELLAR. We bring out more than we should.

Mr. CONNALLY. It is the Senator's committee, not my committee.

Mr. McKELLAR. This is not a bill under which a deficiency appropriation can be asked, as I understand.

Mr. CONNALLY. A deficiency appropriation is asked on almost everything else.

Mr. McKELLAR. Not on everything else, but on a great many things.

Mr. CONNALLY. What would happen would be that the farmers of Tennessee would send some telegrams and the Senator from Tennessee, as a member of the Appropriations Committee, would be favorable to a deficiency appropriation to take care of them.

Mr. McKELLAR. That would depend on whether they were entitled to it or not.

Mr. CONNALLY. I do not blame the Senator from Tennessee. That is true of most Senators. The Senator knows that he is not going to refuse, when he comes right up to the lick log, to appropriate the money the Secretary of Agriculture may say he is going to need in order to get this money to the farmer. Who is going to get it? We have to get some of this money down to the farmer, and I am not going to vote for any amendment that will apparently cripple the activities of the Department in promptly executing the law.

It has been pointed out by the Senator from New Mexico that this money for expenses originally comes out of the farmer's own benefit payments, and that is an incentive to bring down the amount of the appropriations. Let me say for the local committees who administered the old A. A. A. act that they deserve high praise and commendation. In my State prominent men, bankers and businessmen and others, served without compensation for literally weeks and weeks, giving their time to help enforce and carry out the provisions of that act.

Mr. RUSSELL. Mr. President, I have very little time and I hope the Senator from Texas will make his statement in his own time.

Mr. CONNALLY. I beg the Senator's pardon.

Mr. RUSSELL. If the argument of the Senator from Texas is sound that there should not be any limitation at all on the administrative expenses because there might be a deficiency bill, the same statement might be applied in the

case of every other department, and it might be said that we should appropriate \$500,000,000 for the Navy Department and say, "Use as much of this as you wish for your administrative expenses."

I am not being critical of the county committees. I think they have done a fine job. However, I think it is fundamentally wrong to appropriate the huge sum of \$500,000,000 or even \$5,000,000 to a department and say, "There is absolutely no restrictive limit upon the amount you can spend for administrative purposes." Of course we might have a deficiency bill here. If we do, the Appropriations Committee would consider it on its merits, just as it would consider any other deficiency bill affecting any other department.

Merely because this money is coming out of the farmers is no argument why we should not put a limit upon the amount that may be expended for administrative expenses. If anything, it is an argument why there should be a limitation, because then the farmer would get more money. I am not being critical, but I say it is wrong to legislate and give any department head—I care not who he is, because we do not know today who will be the head of any department tomorrow—absolutely free rein to spend any amount he sees fit for administrative purposes and never know how much it is going to be until the end of the year, because the Bureau of the Budget and the Appropriations Committees would not have an opportunity to give it the scrutiny to which other departments are subject.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. RUSSELL. Certainly.

Mr. McKELLAR. There is a limit of \$500,000,000 that is to be appropriated for this purpose. The more that is spent for administrative purposes, the less the farmer will get.

Mr. RUSSELL. Undoubtedly.

Mr. McKELLAR. That is the controlling motive with me.

Mr. RUSSELL. When this program was first set up I could see why it was necessary to spend large sums for administration. It was necessary to accumulate information affecting every farm throughout the United States as to the basis of production and things of that kind; but now that the information has been collected and is in the files of every county and State committee, affecting every farm in the United States, it seems to me the administrative expenses might well be reduced. We have had the experience of all the past operations of the various farm programs which have been in effect in recent years.

Mr. ADAMS. Mr. President, will the Senator yield?

Mr. RUSSELL. Certainly.

Mr. ADAMS. I differ with the Senator from Georgia, but in a different way than the Senator from Texas [Mr. Connally]. I understood the Senator from Georgia was contemplating offering an amendment which would limit expenses to 6 percent, in other words, providing \$30,000,000. It seems to me the Senator from Georgia is at least providing as much as ought to be provided. It seems to me that 3 percent would be entirely adequate.

Mr. RUSSELL. Approximately \$44,000,000 was spent last year, and I think to reduce it below \$30,000,000 would be rather a drastic reduction for the Department to institute in 1 year.

Mr. HATCH. Mr. President, I merely wish to call attention to the section of the bill which has aroused this discussion. It appears on page 75. It does not relate in any sense to the administrative expenses incurred in Washington nor by the regular monthly or yearly employees of the Department of Agriculture. Here is what the provision relates to and nothing else:

The Secretary is authorized and directed to make payments to State, county, and local committees of farmers hereinbefore authorized, to cover the estimated administrative expenses incurred or to be incurred by them in cooperating in carrying out the provisions of this act.

This relates only to the expenses incurred by the local county committees, expenses which do come out of the checks which the farmers pay themselves and which, as they learn they are taking from their own pockets, are being reduced.



Mr. BYRD. Mr. President, will the Senator from New Mexico yield?

Mr. HATCH. I yield.

Mr. BYRD. The Senator stated these expenses come out of the checks of the farmers. What control do the farmers have over the spending of the money?

Mr. HATCH. They have all control over their local committees. The local committee itself must prepare its budget. That is sent to the Secretary to be scrutinized and audited here. Then it is returned with the check.

Mr. BYRD. I know; but that does not place any control in the hands of the farmers. All the farmers do is to select the committee, and then the Secretary of Agriculture, and not the farmers, says what the committee shall spend.

Mr. HATCH. Does the Senator from Virginia think that when the farmers in any county realize that a local committee is charging excessive or exorbitant expenses the local committee will long endure?

Mr. BYRD. How is the local committee selected?

Mr. HATCH. If the Senator entertains that thought, and if the farmers in Virginia would stand for a thing of that sort, I say to the Senator that the farmers of Virginia are vastly different from the farmers of my State, and different from any with whom I have come in contact.

Mr. BYRD. It depends largely on the term of office of the committee. It depends further on whether the individual farmer knows that the money is being taken from an allotment which would otherwise come to him. So far as I know, there are no farmers in my county who know that the money is deducted from the soil-conservation payments which come to the farmers.

Mr. HATCH. I made that point a moment ago, and suggested that it would be wise to adopt an amendment providing that each farmer receive a statement showing exactly how much this activity has cost him as an individual and what his proportion is.

Mr. BYRD. Does the Senator think that \$12,000 per county for the cost of these committees is an excessive amount?

Mr. HATCH. I see no reason why it should cost \$12,000 for the committee.

Mr. BYRD. It has been stated that it cost \$40,000,000 for the local cost of the administration of the Soil Conservation Act, and I am astonished and astounded at such a statement.

Mr. HATCH. I do not know who made the statement.

Mr. BYRD. The Senator from Idaho made it.

Mr. HATCH. I challenge the statement, or challenge the Senator to prove that it has cost \$40,000,000.

Mr. BYRD. The Senator from Idaho said that the cost was approximately 10 percent, that 2 percent was the cost in Washington and about 8 percent was paid in the localities. If the Senator will figure that up on the basis of \$50,000,000, he will find that it means approximately \$40,000,000 for the administration locally, or nearly a million dollars per State, or \$12,000 per county.

Mr. HATCH. I do not know what the figures of the Senator from Idaho were or where he got them, but I still say that, so far as I am concerned, if we will furnish to the individual farmer a statement showing what it is costing him as an individual, he will take care of it, and I am perfectly willing to leave it to the farmer to determine for himself.

Mr. BYRD. Will the Senator offer an amendment to the bill to take care of that?

Mr. HATCH. Let me finish my statement. When we get to the administration in Washington, and the regular employees here, over whom the farmers have no control and nothing to say, I think we might well impose this limitation, and I should be glad to support it, but I would be glad to have some amendment worked out so that the information would be carried directly to the individual farmer as to how much it costs him.

Mr. BYRD. Mr. President, if I understand the Senator from Idaho correctly that the local administrative cost of the Soil Conservation Act is \$40,000,000, I wish to say that

is the most appalling statement I have heard since I have been a Member of the Senate, and it should be investigated, and it should be determined where this \$40,000,000 goes. It does not go to the farm agents, since they are paid from another appropriation. If \$40,000,000 is being taken out of the farmers of this country for an overhead cost, in addition to what the Department of Agriculture spends, I say it is a disgrace, and should be investigated by the Senate and by the Congress.

Mr. CONNALLY. Mr. President, I am in hearty accord with the Senator from New Mexico. To show how divergent the views of Senators are, the Senator from Georgia wants to limit the authorization for administrative expenses to 6 percent, while the Senator from Colorado, who is also a member of the Committee on Appropriations, wants to cut it to 3 percent. I am willing to trust the local committees and the Secretary of Agriculture. It is their responsibility. They will administer the law. I am not going to tie the hands of the local committees in the handling of the funds of the farmers themselves. I am not going to attempt to tie even the hands of the Secretary of Agriculture.

It costs just as much to administer the act if we are spending \$200,000,000 for the farmers as if we are spending \$500,000,000, because we have to deal with the same units, the same number of farms, the same number of farmers. We have to do just the same book work, and in the congested periods in my country my experience shows me that in the fall, when cotton is being harvested, the local committees have to have an enormous clerical staff of boys and girls to look after these matters. Suppose the Budget should limit them, and they could not employ any further clerks. Who would complain? It would be the farmers who would complain about not getting their checks, not getting their certificates, and not having their land figured up.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

Mr. O'MAHONEY. I suppose the theory of the Senator from Texas is that the larger the force the better.

Mr. CONNALLY. No; not necessarily.

Mr. O'MAHONEY. Is there any reason why this enormous force should not be limited by Congress, particularly when there is absolutely no limit upon the total expenditure to be made?

Mr. CONNALLY. The Senator from Texas does not know how large the force ought to be, but I would much prefer to trust the Secretary of Agriculture and the local committees which are doing the work. They are doing the job, and have the responsibility. It is the farmers' money that is paying the expense, and they are standing by the side of the committeemen, and they see every day how many clerks they have, and what they are doing with the money. On a farm matter I would trust them even before I would trust the judgment of the Senator from Wyoming. If I were talking about sugar, I might consult the Senator from Wyoming. If I were considering the question of cattle, and how to raise white-faced cattle, and goats, and sheep, out on the plains of Wyoming, I might consult the Senator from Wyoming, but when it comes to administering a local cotton law, or a wheat law, or an oat law, I am going to take the judgment of the local committeemen, whose hands have grime on them. Most of them are farmers, and the men whose money these committeemen are spending come in every day and see them. I am not in favor of tying the hands of the Secretary of Agriculture and of the local committeemen.

It is said that the \$40,000,000 should all go to the farmers. Fine! But if it is not administered, how is it to get to any of them? Let us do away with all administration and save the \$40,000,000. How are we to get it to the farmers if there is not someone administering the law to see that some of it percolates down to the farmer's pocket?

We hear talk about economy, always talk about economy. The Committee on Appropriations brings in these measures. Watch them during the coming session. The Senator from Georgia will be here with a bill, along with the Senator from Tennessee, a member of the Committee on Appropriations,



the Senator from Colorado. I love all of them and have high respect for them, but if they know so much in advance, why is it ever necessary to have a deficiency bill? Why not limit the expenditures in advance, and fix it all up and say, "This is all the money you are going to get." Would they stick to it? If they did, we would never have a deficiency bill. Of course, they would not stick to it, and the only result would be a lot of delay and letter writing and hurrahing, and we would come back and appropriate a lot of money.

Mr. ADAMS. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield to my delightful friend.

Mr. ADAMS. As one of the members of the deficiency subcommittee of the Committee on Appropriations, I may say to the Senator from Texas that one of the reasons why we have deficiency bills is because the heads of the great administrative departments of the Government do not observe the law. They spend more money than Congress appropriates for them, they incur obligations, they go out and agree to pay money here and there and elsewhere, and the deficiency subcommittee of the Committee on Appropriations has to make provision to make good the obligations which these departments have incurred.

Mr. CONNALLY. That is true, but the committee does not do anything about it.

Mr. ADAMS. The Senator would leave all these things, without limitation, to the heads of the departments?

Mr. CONNALLY. No. The Senator from Texas has not left it to the heads of the departments, but it seems to be the policy of the Committee on Appropriations to leave it to the heads of the departments, to appropriate money, and tell them that under certain conditions they cannot spend it, and then when they spend it the committee comes in and says "It is all right. We will give you some more." Some would put on a limitation and then at the next session of Congress the Secretary would say, "I had to hire all these local committees in order to get the money to your farmers," and who is going to vote against it when the time comes? All those who would vote against it are absent today. Nobody is going to vote against it. Perhaps the Senator from New York would vote against it, because he is not for the bill. But most Senators would not vote against it. I am not in favor of saying to the Secretary in advance, or to the local committees, "If you do not just exactly stay within these limits, your operations shall be hampered and held up."

Mr. President, I wish to compliment the Committee on Agriculture and Forestry on the pending bill. I think the bill has been as meticulously discussed and as intelligently discussed as any measure since I have been a Member of the Senate, and I pay tribute to the committee, without any invidious comparisons, for the intelligent work they have done. I am willing to trust it in this matter. The Committee on Appropriations has all it can handle if it attends to its own business, and I am not in favor of taking the advice of the Committee on Appropriations on the pending bill and attempting to tie the hands of the local committees.

I have had some experience with the local committees, and I repeat what I said awhile ago, no one has done a finer job in this country than have the local committees, which were serving without pay, working nights and Saturdays and weekdays and for weeks at a time, aiding the Department of Agriculture and the Government in putting on this agricultural program. Those from the farm States know that that is true. In my State there were 16,000 local committeemen, giving their time free. Now there is complaint because Senators say they are afraid they might hire one clerk tomorrow, or something of that kind, when they are paying for it themselves, it comes out of their own funds, and most of them would rather have 90 cents this week than a dollar next June. Promptness in getting the funds to them and promptness in administering the act are of the highest importance. I hope the amendment of the Senator from Georgia will not be agreed to.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 75, line 11.

The amendment was agreed to.

The next amendment of the committee was, on page 75, line 13, where the committee proposed to strike out the words "or associations", so as to read:

The Secretary may make such payments to such committees in advance of determination of performance by farmers under their adjustment contracts. The Secretary in the administration of this title shall accord such recognition and encouragement to producer-owned and producer-controlled cooperative associations as will be in harmony with the policy toward cooperative associations set forth in existing Acts of Congress and as will tend to promote efficient methods of marketing and distribution.

Mr. AUSTIN. A parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. AUSTIN. Has the amendment in line 6 been acted on?

The PRESIDING OFFICER. That amendment has been agreed to, the present occupant of the chair is informed.

Mr. AUSTIN. I wonder if someone could tell me what "or other offers" relates to. I am not aware of the other offers, and I should like to know what they are. Can someone state what is meant by the words "or other offers"?

Mr. POPE. Payments under the Soil Conservation Act are made upon an offer and an acceptance. In connection with the making of parity payments under the pending bill, contracts are used, and the Senator will note the language—

Adjustment contracts or other offers shall provide that all or part of such estimated administrative expenses of any such committee may be deducted pro rata from the Soil Conservation Act payments.

The amendment is merely to add offers which are made under the soil-conservation program, as well as the Government contracts made under the proposed act.

Mr. AUSTIN. I thank the Senator.

The PRESIDING OFFICER. (Mr. DUFFY in the chair). The next amendment will be stated.

The next amendment was, on page 76, in line 3, after the word "each", to strike out "major", so as to read:

The Secretary shall, within 45 days after the beginning of the marketing year for each agricultural commodity, ascertain and proclaim the current average farm price for the commodity during the preceding marketing year, to be weighted in accordance with the quantity of the commodity marketed. Within such 45-day period the Secretary shall also ascertain and proclaim the total supply of such commodity as of the beginning of the marketing year.

The amendment was agreed to.

The next amendment was, on page 76, line 10, to strike out "(e)" and insert "(d)", and in line 15, to strike out "(f)" and insert "(e)", so as to read:

(d) Available statistics: The latest available statistics of the Department shall be used by the Secretary in ascertaining the "total supply", "normal year's domestic consumption", "normal year's exports", "parity" as applied to prices and income, and "current average farm price."

(e) Finality of farmers' payments and loans: The facts constituting the basis for any Soil Conservation Act payment, parity payment, or surplus-reserve loan, or the amount thereof, when officially determined in conformity with the applicable regulations prescribed by the Secretary of Agriculture or by the Corporation shall be final and conclusive and shall not be reviewable by any other officer or agency of the Government.

The amendment was agreed to.

The next amendment was, on page 76, after line 22, to strike out:

(g) Surveys and investigations: The Secretary is authorized to conduct surveys, investigations, and research relating to the conditions and factors affecting, and the methods of accomplishing most effectively, the declared policy of this act. Notwithstanding any provisions of existing law, the Secretary is authorized to make public any information secured in connection with such surveys, investigations, or research at such times and in such manner as he deems necessary in order to carry out the provisions of this act.

The amendment was agreed to.

The next amendment was, on page 77, at the beginning of line 8, to strike out "(h)" and insert "(f)"; in line 13, before the word "contracts", to strike out "adjustment"; and in the same line, after the word "contracts", to insert "or payments made under this act", so as to read:

(f) Benefits available to Members of Congress: The provisions of section 3741 of the Revised Statutes (U. S. C., title 41, sec. 22)



and sections 114 and 115 of the Criminal Code of the United States (U. S. C., title 18, secs. 204 and 205) shall not be applicable to contracts or payments made under this act.

The amendment was agreed to.

The next amendment was, under the subhead "Personnel and Administrative Expenses," on page 77, line 15, after "Sec.", to strike out "15" and insert "63"; in line 16, before the word "to", to insert "Except as otherwise may be provided in this act"; in line 22, after the word "of", to strike out "law applicable to appointment and compensation of persons employed by the Agricultural Adjustment Administration shall apply" and insert "section 10 (a) of the Agricultural Adjustment Act, as amended and reenacted by the Agricultural Marketing Act of 1937, shall be applicable to the employment and compensation of such officers and employees", so as to make the section read:

Sec. 63. The Secretary is authorized and directed—

(a) Except as otherwise may be provided in this act to provide for the execution by the Agricultural Adjustment Administration of such of the powers conferred upon him by this act as he deems may be appropriately exercised by such Administration; and for such purposes and for the purposes of the Surplus Reserve Loan Corporation, the provisions of section 10 (a) of the Agricultural Adjustment Act, as amended and reenacted by the Agricultural Marketing Act of 1937, shall be applicable to the employment and compensation of such officers and employees.

(b) To make such expenditures as he deems necessary to carry out the provisions of this act, including personal services and rents in the District of Columbia and elsewhere, traveling expenses (including the purchase, maintenance, and repair of passenger-carrying vehicles), supplies and equipment, law books, books of reference, directories, periodicals, and newspapers.

The amendment was agreed to.

Mr. TYDINGS. Mr. President, early in the session today, when the tobacco amendment was up, I offered an amendment, which at the suggestion of the Senator from Oregon [Mr. McNARY], was temporarily laid aside until we could work out perfecting language. I have since conferred with those who earlier in the day thought the amendment was unnecessary, and I ask unanimous consent to turn back to page 42 to insert language which I understand will now be acceptable, and which will not change the philosophy of the bill, but rather will make sure that what was intended will be done.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Maryland? The Chair hears none, and it is so ordered.

Mr. TYDINGS. The first amendment is on page 42, section 41, line 6.

The PRESIDING OFFICER. The Chair will state that before anything further can be done, it will be necessary to reconsider the vote by which the subsection was adopted.

Mr. TYDINGS. I ask that that be done.

Mr. McNARY. Mr. President, I think I called the attention of the Senate to this section when the matter was up for discussion. Is it the purpose of the Senator from Maryland now to correct the definition of "tobacco"?

Mr. TYDINGS. It is. Let me say to the Senator from Oregon that it will be necessary to make the correction on page 42 in order that it may be reflected on page 70.

The PRESIDING OFFICER. Without objection, the action taken earlier in the day in adopting paragraph 47, beginning in line 6 on page 42, will be reconsidered. The Senator from Maryland will state his amendment.

Mr. TYDINGS. On page 42, section 41, line 6, after the words "supply of", I move to add the words "any type of".

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 42, line 6, after the words "supply of", it is proposed to insert "any type of".

The PRESIDING OFFICER. The question is on agreeing to the amendment, offered by the Senator from Maryland, to the amendment of the committee.

The amendment to the amendment was agreed to.

Mr. TYDINGS. I have two more amendments.

On page 42, line 14, after the word "quantity", I move to add the words "for each type".

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 42, line 14, after the word "quantity", it is proposed to insert "for each type."

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Maryland to the amendment of the committee.

The amendment to the amendment was agreed to.

Mr. TYDINGS. On page 42, line 17, after the word "tobacco", I move to insert the words "of that type."

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 42, line 17, after the word "tobacco", it is proposed to insert the words "of that type."

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. ELLENDER. I notice on page 70 under the definition of "tobacco" that several types are included in one description. I fear there will be conflict.

Mr. TYDINGS. But if the Senator's former statement is sound that does not affect Maryland, because it has only one type.

Mr. ELLENDER. But under "flue-cured" there are 4 types; under "cigar filler" and "cigar binder" there are 11 types, and so on with other kinds of tobacco.

Mr. TYDINGS. Would the Senator agree to it if I were to offer an amendment so that would be covered? Will the Senator accept the language "type or types."

Mr. ELLENDER. Yes. I believe that should cover the situation.

Mr. TYDINGS. Then the words "or types" should follow the word "type" in the three amendments which have just been adopted. The language should be "type or types."

Mr. ELLENDER. That is acceptable.

The PRESIDING OFFICER. Then it is understood that the words "or types" will follow the word "type" where it appears as previously agreed to.

Mr. TYDINGS. Yes.

The PRESIDING OFFICER. The question is on the amendment of the Senator from Maryland to insert the word "or types" following the words "of that type" in the amendments to the amendment previously agreed to, on page 42, lines 6, 14, and 17.

The amendment to the committee amendment was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Maryland to the amendment of the committee on page 42, line 17.

The amendment to the amendment was agreed to.

The PRESIDING OFFICER. Is that all the Senator from Maryland proposes in this paragraph?

Mr. TYDINGS. Yes.

The PRESIDING OFFICER. Then, without objection, the committee amendment, as amended, being section 41 (a) on page 42, is agreed to.

Mr. TYDINGS. Mr. President, I should like the Record to show that the purpose of the amendments which were adopted is that in case there is to be a referendum, the type of tobacco produced by any group of producers must have the referendum conducted for that type only, and that the producers of any other type cannot curtail any type they do not produce. That is the purpose of the amendments. I think it is clear now that each type acts within the group of its own producers.

The PRESIDING OFFICER. Does the Senator from Maryland desire to have further action taken on the amendment that was passed over?

Mr. TYDINGS. No; I withdraw the amendment now, because, with the amendments just adopted, the further amendment will not be necessary. Producers of Maryland-type tobacco can only themselves expect to control Maryland-type tobacco.

The PRESIDING OFFICER. The next committee amendment will be stated.

The next amendment was, under the subhead "Appropriations," on page 78, line 11, after "Sec." to strike out "16" and insert "64"; and in the same line, after the word "year," to insert "commencing July 1, 1938,".



The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 78, line 11.

The amendment was agreed to.

The next amendment was, on page 78, line 12, before the word "there", to strike out "ending June 30, 1939."

The amendment was agreed to.

The next amendment was, in line 15, after the word "payments", to insert "under this act such sums as are necessary."

Mr. VANDENBERG. Mr. President, I move to amend the committee amendment by inserting, after the word "sums", in line 16, the words "not exceeding \$500,000,000."

Mr. ADAMS. Mr. President, my own judgment is, after some thought and listening to the discussion with reference to the appropriations which are inevitably involved in this bill, that the committee amendment, even with the amendment suggested by the Senator from Michigan, should not be adopted.

We have heard the statements on the floor by those representing the different agricultural interests, particularly the Senator from Alabama [Mr. BANKHEAD], that it was not expected that full parity payments would be made, but that what was expected was that payments would be made on account of parity. I think there has been some discussion as to whether or not the words "parity payments" mean full parity payments, or payments on account of parity but not going to the full amount.

It is entirely within the possibilities of this bill that if parity payments are to be made, the Government may be involved in an obligation running as high as a billion and a half dollars; and that is not the intent or the expectation of the Senators who are the proponents and draftsmen of the bill, as I understand. They have answered the question as to excess appropriations by pointing out a pro rata provision; but in the bill, I think on page 10, and perhaps in other places, there is contained the specific provision that parity payments shall be made.

My own judgment is that "parity payment" means "full parity payment." It is defined elsewhere in the bill in accordance with schedule A, which appears on page 20, which, I am frank to say, I do not understand. "Parity payment" is defined and tabulated on page 21 in schedule A; and when it is said "parity payments shall be made" it must mean, it seems to me, full payments, unless Congress should fail to appropriate the necessary sum of money. Unless there is some limitation, and if the bill should pass as it now stands, providing for parity payments, and that the Congress shall appropriate such sums as are necessary, I am fearful that the Appropriations Committee with that language before it, and that the Senate of the United States with that language before it, in attempting to impose a limitation, would be met with the demand that compliance be had with the plain meaning of the farm bill; that parity payments shall be made, and that appropriations shall be made of such sums as are necessary to make parity payments.

So it seems to me that we should go back to the original language contained in the bill drafted by the Senator from Kansas [Mr. MCGILL] and the Senator from Idaho [Mr. POPE], and impose a limitation upon the appropriation of money. The original bill restricted the appropriation, or, rather, in the inverse form, authorized the appropriation of the sum of only \$400,000,000, and provided that of the \$400,000,000 a certain part should come out of other appropriations. So I am hoping that the Senate will eliminate this committee amendment, and not adopt it, even if it contained the amendment of the Senator from Michigan, and then leave the original language, so that that matter might be considered when it became desirable to consider it upon the floor at the conclusion of the consideration of committee amendments.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. ADAMS. I yield.

Mr. VANDENBERG. I am in complete agreement with the Senator's statement. As I understand the position, however, if the committee amendment should be adopted, he

would very much prefer to have it adopted with my amendment to the amendment of the committee.

Mr. ADAMS. That is entirely correct.

Mr. VANDENBERG. It would seem to me reasonable to proceed to put the committee amendment in form before taking a vote on whether the committee amendment or the original text shall stand; so I suggest to the Senator that we take the test on the amendment, which will still leave the fundamental question he has raised, upon which I shall join him at that time.

Mr. ADAMS. With that understanding of the situation, of course, that presents a situation agreeable to my contention.

Mr. SMITH. Mr. President, will the Senator yield?

Mr. ADAMS. I yield.

Mr. SMITH. In justice to those who have drawn this bill and those whom we are attempting to benefit, does not the Senator think, in common honesty, we ought to modify the text where we say "parity payments shall be made" to adjust the language to the cloth we are going to give them out of which to cut the garment; and have it stated that parity payments shall be made as far as the amount we have hereby made available therefor, so that everyone shall know whether or not he is going to get parity payment or such fractional part thereof, or on account, as indicated, out of the sum appropriated?

Mr. ADAMS. Mr. President, I think it should be made perfectly clear in the bill that it is not the intention of the Congress that full parity payments shall be made regardless of the cost, which is the way the provision would read if the committee amendment were adopted.

Mr. SMITH. Mr. President, the question came up before the committee as to what language we should use, in view of the fact that we were pledging ourselves to parity payments. We examined the old T. V. A. Act and other acts, and we followed the language used in cases in which ordinarily there could not be specific calculations as to the fulfillment of a pledge looking to future developments.

We agreed that this was the proper language to use in view of the fact that we could not know what parity was, because the fluctuations of the market would increase or decrease the amount that the Government pledges itself to make good. The difference between the market price and the parity price fluctuates every hour in the case of a certain commodity in which I am interested, and it fluctuates more or less in the case of all farm products, depending not so much upon the size of the crop as upon the condition of the market. The money element enters into the matter, the capacity of the people to buy, and so forth.

It is impossible to figure out what the administration costs are going to be or what parity is going to be. Therefore, if we are going to deal honestly with these people, we will say to them, "Regardless of the market, regardless of the fluctuations, regardless of the fact that wheat may go down to 30 cents a bushel and parity may be 60 or 70 cents, we want you to know that we are going to take a little handful of money for all the farmers in America, and we will divide it pro rata among you. We are not talking about parity. We are talking about a fixed sum that we are going to make available to you; and if it is 50 percent of parity or just a mere pittance, that is all you are going to get."

We have not treated other people in that way—no; we have not. We came in here with the T. V. A. bill, and we wrote different language. We gave \$770,000,000 to build houses costing \$1,000 per room for the slum dwellers of this country, who never added a penny to the wealth of the country. We are appropriating \$1,500,000,000 to relieve those who are without jobs; and yet we come along here and say, "All right, now; we are going to fix a certain stipulated amount, regardless of what the price may be or how much you suffer, and you will not get any more than that."

If that is all right with the rest of the Senate, it is all right with me.

Mr. ELLENDER and other Senators addressed the Chair.

Mr. ADAMS. Just a second.



The PRESIDING OFFICER. The Senator from Colorado has the floor.

Mr. ADAMS. Mr. President, the Senator from South Carolina is speaking of the integrity of appropriations and honesty of treatment of the farmer. That is exactly what we are trying to do.

To go back, we did not make a wide-open appropriation for slum clearance. We appropriated \$26,000,000, and then authorized the Housing Authority to issue debentures or obligations which might run to a total not to exceed \$500,000,000. That is, we put limitations on the total amount.

The question in this case is whether we had better say to the farmer, "Here is a promise to pay you full parity without limitation," but knowing that Congress does not intend to and will not appropriate the money which in an extreme case it will take to pay it, or whether it will be more honest to say to the farmer, "Here is \$400,000,000, here is \$500,000,000, or here is \$700,000,000. That is the fund to which you may look." Then the farmer will know exactly what he may look to.

That is exactly what I am trying to do; and some of us who sit not upon the Agricultural Committee but as ordinary Members of the Senate who also sit upon the Appropriations Committee say to you that it is not quite fair to put the burden of fixing the amount to be appropriated, an indefinite amount, upon that committee, lacking as its members do the information that the members of the Agricultural Committee have. So the purpose that I have, and those who may agree with me, is that those drafting the farm bill and the Members of the Senate in acting upon it shall say to the Appropriations Committee, shall say to the country, shall say to the farmers, "There is so much money, and there is no more money. There is a provision in the bill now providing that so far as the money goes, it shall go. If it does not go the whole way it shall be prorated." That provision is in the bill at page 80; so that the warning is in the bill.

Mr. SMITH and Mr. BARKLEY addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Colorado yield, and, if so, to whom?

Mr. ADAMS. I yield to the Senator from South Carolina.

Mr. SMITH. Mr. President, just let me make an explanation. I am not quarreling with the Senator from Colorado upon his contention. I say that the wording of the bill that the farmers shall receive parity ought to be modified.

Mr. ADAMS. I am entirely in accord with the Senator on that point; and I suggest that the great leader of the agricultural group in the Senate prepare an amendment of that kind and put it in the bill. We have to look to him, and those associated with him, to fix that language.

Mr. SMITH. Do not "shake your gory locks at me." [Laughter.]

The PRESIDING OFFICER. The time of the Senator from Colorado on the amendment has expired.

Mr. ADAMS. Mr. President, I will take my time on the bill.

Mr. BARKLEY. Mr. President, inasmuch as this is a controversial section and will lead to some debate, I suggest that it be passed over until we finish the other committee amendments in the bill.

The PRESIDING OFFICER. Is there objection?

Mr. ADAMS. That is, the Senator from Kentucky means to pass it over beyond today? He does not expect to take it up today, then?

Mr. BARKLEY. No; I doubt if we shall get through the other amendments today.

Mr. ADAMS. Let us understand that matter definitely. I am perfectly willing to agree that the section shall go over until Monday.

Mr. BARKLEY. I will say frankly that, optimistic as I am by nature, I hardly hope that we shall finish all the committee amendments today; so, if it is entirely agreeable, let the section go over until Monday.

Mr. ADAMS. Then, under that situation, may I save my time under the bill?

The PRESIDING OFFICER. The Chair will rule that the Senator from Colorado has not used any of his time on the bill.

Mr. BARKLEY. My request had reference to subsection (a) of this section which fixes the amount of the appropriation.

Mr. RUSSELL. That includes all of subsection (a). All of that will go over for the day?

Mr. BARKLEY. All of subsection (a), and amendments to it.

The PRESIDING OFFICER. Without objection, all of subsection (a), and amendments to it, will be passed over for the day.

Mr. BANKHEAD. Mr. President, before action is taken on that matter I should like to say a word.

The PRESIDING OFFICER. The Senator from Alabama is recognized.

Mr. BANKHEAD. The language used on page 78, beginning with line 24, and at other places where the bill refers to parity payments, has not from the beginning been satisfactory to me. I have heretofore called attention to that language, and have expressed the wish that it might be changed, because, like the Senator from Colorado [Mr. ADAMS], I think the language used carries the implication, the thought, that it means payment of parity in full, while of course the sponsors of the bill have had no such thought under present financial limitations. So I think a proper distinction has not been made between the statement on the one hand of parity payments, and, on the other hand, payments on parity prices. "Parity payments" may carry the thought that we are to pay parity in full. Evidently, the use of the term has suggested that thought to Members on the floor of the Senate. Otherwise, this discussion would not have arisen.

Therefore, while I am not going to object to the request made by the majority leader—I think it is well to comply with it—I suggest at this time that when the matter comes up again, probably on Monday, I shall move to amend the language in line 25 by striking out the word "parity" and saying:

There is hereby made available for payments on parity prices—

And so forth. That language clearly informs interested parties that the payments are to go only as far as the money is available, and certainly does not carry the idea that parity in full is now to be paid.

I think it would be better to arrange the matter in that way than to strike out here the authorization for the appropriation of such money as is necessary, because later we may find it advisable to increase the appropriation; but with this language the world will know and the farmers will know that we mean that they shall have payments on parity prices as far as the available money goes.

Mr. McKELLAR. Mr. President—

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from Tennessee?

Mr. BANKHEAD. I do.

Mr. McKELLAR. If the Senator were to adopt that language, he would also have to include, in line 15, the words "and parity or partial parity payments."

Mr. BANKHEAD. I have said that there were other places in the bill that would need to be amended. I said so just now.

Mr. McKELLAR. It would be necessary to add that language.

Mr. BANKHEAD. Yes; it probably would; and of course those amendments will be consistently made wherever the expression "parity payments" occurs.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Kentucky that consideration of paragraph (a) on pages 78 and 79 be postponed for the day? Without objection, the request is agreed to.

Mr. BYRD. Mr. President, I suggest to the Senator from Kentucky that he include in that request paragraphs (d) and (e), on pages 79, and 80, with respect to exempting



these expenditures from the control of the General Accounting Office, which will necessitate quite a great deal of discussion.

Mr. BARKLEY. There is no committee amendment in paragraph (e).

Mr. BYRD. Then I will confine my suggestions to paragraph (d).

Mr. BARKLEY. That is satisfactory. I will include that in the request. Let it all go over.

The PRESIDING OFFICER. Then it will be understood that the consideration of paragraphs (a) and (d) of this section will go over for the day.

The clerk will state the next amendment of the committee.

The next amendment was on page 80, after line 23, to insert:

(f) Notwithstanding any other provision of this act, if the aggregate parity payments payable under schedule A of title I of this act for any marketing year are estimated by the Secretary to exceed the sum appropriated for such payments for such year, all such payments shall be reduced pro rata that the estimated aggregate amount of such payments shall not exceed the funds available for such payments.

The amendment was agreed to.

The next amendment was, on page 81, after line 4, to insert:

(g) Parity payments may be made, subject to the consent of the farmer, in the form of the commodity with respect to which the payment is made, in such amounts as the Secretary determines are equivalent to money payments at the rates determined pursuant to the provisions of schedule A of this title.

The amendment was agreed to.

The next amendment was, on page 81, after line 10, to insert:

(h) No payment shall be made with respect to any farm pursuant to the provisions of this act and of sections 7 to 17 of the Soil Conservation and Domestic Allotment Act, as amended, with respect to cotton, wheat, corn, tobacco, and rice unless, where the area of cropland on the farm permits, and it is otherwise feasible, practicable, and suitable, in accordance with regulations prescribed by the Secretary, there is grown on such farm an acreage of food and feed crops sufficient to meet home-consumption requirements.

Mr. McNARY. Mr. President, the senior Senator from Idaho [Mr. BORAH] is necessarily absent, and will be for the remainder of the day. He requested that this paragraph go over for the day.

The PRESIDING OFFICER. To which paragraph does the Senator refer?

Mr. McNARY. I refer to paragraph (h).

The PRESIDING OFFICER. Is there objection to the request of the Senator from Oregon that the consideration of paragraph (h) go over for the day? The Chair hears none, and it is so ordered.

The clerk will state the next amendment of the committee.

The next amendment was, on page 81, after line 19, to insert:

(i) All cotton of the 1937 crop warehoused in the calendar year 1937 and held as security for a loan from the Federal Government shall, pursuant to regulations of the Secretary, upon the request of any borrower, be reclassified, restapled, and reweighed by a licensed Government classifier without expense to such borrower.

Mr. McKELLAR. Mr. President, I have an amendment to that paragraph which I understand the Senator from Alabama [Mr. BANKHEAD] does not oppose. I ask that it be offered at this time.

The PRESIDING OFFICER. The amendment of the Senator from Tennessee to the amendment reported by the committee will be stated.

The CHIEF CLERK. On page 81 it is proposed to strike out line 25, being the words "without expense to such borrower," and in lieu thereof to insert:

At Government expense, and without the cost thereof being charged to the borrower, or taken out of the cotton when sold either directly or indirectly by way of reduction in price; nor shall there hereafter be any reconcentration of such cotton without the written request of the Government and of the producer or borrower.

Mr. POPE. Mr. President, I have no objection to that amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Tennessee to the amendment reported by the committee.

Mr. POPE. I should like to ask the Senator from Alabama [Mr. BANKHEAD], or somebody else who knows, what would be the cost of reclassifying the cotton as provided in that subsection?

Mr. BANKHEAD. Mr. President, I am not able to answer the Senator's question. I do not know whether any other Senator can do so or not.

Mr. McKELLAR. Mr. President, when cotton is reclassified, a sample has to be taken, and the sample usually comprises about a pound to a pound and a half of cotton. That sample has to be taken out. Probably the sampling of the cotton costs 25 cents a bale. The cotton itself at this time is worth only about 7 cents, but ordinarily it is worth 15 cents. I am very doubtful about the reclassification of it. Whenever the cotton goes to the compress it is sampled and classed. I know that it ought not to be reconcentrated without the consent of the producer and without the consent of the Government. I think both ought to be in accord about it before it is reconcentrated.

We have had reconcentrations of cotton in the South, without any apparent necessity for them, which have cost the cotton farmers in the aggregate something like seven hundred or eight hundred thousand dollars at a time, and they did nobody any good, so far as I have been able to find out and so far as other people interested in cotton have been able to find out, except that they resulted in the payment of fees to those who classed the cotton and reconcentrated it.

Mr. POPE. Mr. President, as I recall the statement made before the Committee on Agriculture and Forestry, it would cost \$750,000 or more to do this classification.

Mr. McKELLAR. It depends on how many bales would be reclassified. It would cost at least 25 cents to 40 cents per bale to reclassify it. I do not think the reclassification ought to be done without the consent of the farmer.

Mr. POPE. I was under the distinct impression that the Secretary included that in his letter as one of the objectionable features now in the bill.

I invite the attention of Senators to the fact that amendments are being presented now for the purpose of diverting amounts of money which an economical Congress might appropriate. It is now sought to divert those funds in one way after another from the farmer himself to other purposes. So far as I am concerned, I think the most important money that can be appropriated is for the farmer himself, and I should look with considerable suspicion upon appropriations for various other purposes and a denial of sufficient money to carry out the purposes of such a bill as this on behalf of the dirt farmers themselves. That is why I raise the question.

Mr. McKELLAR. I agree with the Senator, and I shall seek to perfect the amendment which I have just offered by adding, after the word "reconcentration", the words "or reclassification", and let it go to conference, if the committee is willing that that should be done.

Mr. SMITH. Mr. President, may I ask the Senator from Tennessee where he wants those words to be inserted?

The PRESIDING OFFICER. For the information of the Senate, the Chair will ask the clerk to state the modification proposed by the Senator from Tennessee.

The CHIEF CLERK. In the amendment of the Senator from Tennessee, after the word "reconcentration", it is proposed to insert the words "or reclassification", so the clause will read:

Nor shall there hereafter be any reconcentration or reclassification without the written request of the Government and of the producer or borrower.

Mr. SMITH. My attention has just been called to the amendment, and I want an opportunity to examine it.

Mr. McKELLAR. It is in the interest of the producer of cotton.



Mr. POPE. Mr. President, I ask the Senator from Tennessee, why the necessity for reclassifying and restapling and reweighing the cotton? Was it not properly classified and stapled and weighed in the first instance?

Mr. McKELLAR. Yes. The only reason that can be given for it is that someone can make fees by reclassification and restapling and reconcentrating the cotton.

Mr. BILBO. Mr. President, I should like to contribute a word in explanation of the amendment and in answer to the question of the Senator from Idaho. The amendment was offered for this reason. When the Commodity Credit Corporation announced their loans they provided that the warehouses which received the cotton from the farmer must guarantee the staple and the classification of the cotton to the Government before the loan could be made. When the Commodity Credit Corporation demanded that the warehouses of the Nation should guarantee this classification, grading and stapling of the cotton upon which the loan was to be made, it was only natural that the warehousemen should take care of their own interests.

It is the belief of many of us that the cotton in the warehouses, where they are required to guarantee the stapling and grading and classification, has been so classified as to more surely protect the warehousemen. It is our belief that if the cotton is reweighed and reclassified and restapled, there will be a saving to the farmers of anywhere from \$2.50 to \$4 or \$5 a bale. We feel that the Government ought to stand the expense of regrading since the Government is responsible for damage that may occur to the farmer who has his cotton in the warehouse under loan.

I make the prophecy that if all the farmers who got loans on their cotton should have their cotton regraded, it might result in a saving of \$8,000,000 or \$10,000,000 or \$12,000,000 to the farmers themselves, whereas it would not cost the Government anything like \$1,000,000. This is really in protection of the dirt farmer. I am not charging anything against the warehouses, but merely submitting the observation. It is a matter of human nature that when they have to guarantee grades and classifications they should take care of themselves by undergrading and understapling and underclassifying the cotton. I am trying to save the farmer, if he wants to save himself, so he can ask for Government classification.

Mr. McKELLAR. The amendment I offer does not interfere with that if the farmer desires it.

Mr. BILBO. No; but the Government has to join in the request.

Mr. McKELLAR. I have not the slightest doubt the Government will comply if the farmer asks it.

Mr. BILBO. The Senator does not know the Government as I do.

Mr. McKELLAR. Does the Senator from Mississippi want to strike out the reference to the Government?

Mr. BILBO. Yes.

Mr. McKELLAR. Very well. I ask to perfect my amendment by striking out the words "of the Government and", so it would read:

Nor shall there hereafter be any reconcentration or reclassification without the written request of the producer or borrower.

Mr. BILBO. That is all right.

The PRESIDING OFFICER. The Senator has the right to modify his amendment.

Mr. SMITH. Mr. President, before the vote is taken, I wish to say that I did not prepare this amendment on my own initiative; I know it was a proper one. It was upon the request of farmers all over the Cotton Belt that they be not subjected to the warehouseman, whose only function is to warehouse the cotton. The farmer is charged as much for warehousing a 300-pound bale as he is for a 500-pound bale.

As he has to guarantee the grade, staple, and classification, the warehouseman is going to save himself, that being in conformity with the first law of nature; but I do not think

it ought to be at the expense of the farmer. Let him warehouse his cotton and let the Government do the regrading, reweighing, and reclassifying. We have a supreme court on cotton classification which under the law is the last appeal for arbitrary grading, stapling, and weighing. Any man who has any question can finally go to that arbitrating board.

Mr. BILBO. It is true that the warehousemen do not use Government licensed classifiers as a rule in the storing of the cotton?

Mr. SMITH. Of course they do not. They use their own classifiers in grading and everything else. I think the amendment is perhaps the most beneficial to the farmers of any amendment that has been offered.

Mr. McGILL. Mr. President, the Senator from Idaho, I understood, stated that the estimate had been made that the reclassifying, reweighing, and restapling would cost the Government something like \$700,000. I should like to have the Senator's views about what the expense would probably be to the Government.

Mr. SMITH. It will run from 10 to 12 cents a bale to grade and staple and classify the cotton, and perhaps not so much as that when there is a tremendous lot to be graded. When we realize that the difference between Low Middling, which is the grade below Middling, and Middling may be as much as \$3 a bale or perhaps more than that, we can see that the difference between 10 cents and \$3 a bale on a million bales would be about the estimate the Senator makes, and then the loss to the farmer would be \$30,000,000 or \$40,000,000.

Mr. McGILL. There would probably be an appropriation of some \$700,000 to carry out that provision of the bill, to be used by the Department in reclassifying, restapling, and reweighing.

Mr. SMITH. I think perhaps if we are going to deal justly with the farmer—

Mr. McGILL. I am not raising any question of that kind.

Mr. SMITH. When we consider the losses by virtue of the lax classification, it seems to me no Senator should object to an expenditure of \$700,000 to increase the income of the farmers several million dollars, just by grading and stapling and weighing.

Mr. OVERTON. Mr. President, is it not true that when the 12-cent loan was made on cotton, the Government accepted the classification of the warehouses, and under the loan that was made this last year the Government then placed on the warehouses the burden of making a correct classification?

Mr. SMITH. Yes; and when they put the burden on them, every buyer who buys a bale of cotton and who knows his business, takes the grade and looks at it and sees how the warehouse has graded and stapled it, and buys on the basis of the warehouse classification.

Mr. OVERTON. I agree with the Senator in the contention he is making. I undertook to have the official classifiers classify the cotton at the time the loan was made, but without success.

Mr. SMITH. The Senator is absolutely right. If we have to spend millions of dollars training licensed classifiers and graders in order to protect the farmer in the field, why not utilize them for the benefit of the farmer?

Mr. OVERTON. I agree with the Senator. I think he is absolutely correct.

Mr. BILBO. Mr. President, in the amendment we are not only protecting the farmer who has his loan—I understand there are about 3,000,000 or 4,000,000 bales put in the warehouses under loans—but the bill further provides that hereafter the warehousemen shall be relieved of the guarantee that requires this special treatment.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from Mississippi to the amendment of the committee.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The PRESIDENT pro tempore. The clerk will state the next amendment.



The next amendment was, on page 82, beginning with line 1, to insert:

(j) The first sentence of the Third Deficiency Appropriation Act, fiscal year 1937, under the subhead "Price Adjustment Payment to Cotton Producers" is amended to read as follows:

"Notwithstanding any other provisions of section 32 of Public Law No. 320, Seventy-fourth Congress, as amended, \$65,000,000 of the funds available under said section 32 in each of the fiscal years 1938 and 1939 shall be available until expended for price-adjustment payments to cotton producers, upon such terms and conditions as the Secretary of Agriculture may determine, with respect to the 1937 cotton crop. Cotton which on July 1, 1938, is under a 1937 Commodity Credit Corporation loan and which, had it been sold prior to that date, would under the regulations prescribed by the Secretary of Agriculture be eligible for payment, shall be treated as if sold on July 1, 1938, but there shall be deducted from the cotton price adjustment payment in respect thereof, and paid to the lending agency, the unpaid carrying charges under such loan due June 30, 1938. Payment shall be made only upon application filed prior to October 1, 1938."

Mr. BYRNES. Mr. President, I offer an amendment to the amendment, which I send to the desk.

The PRESIDENT pro tempore. The clerk will state the amendment.

The CHIEF CLERK. On page 82, line 16, it is proposed to strike out "July 1, 1938," and to insert "the date of the application for such loan."

Mr. BYRNES. Mr. President, the amendment merely fixes the payment of the subsidy to those farmers who borrow on the price of cotton on the day the application for the loan is made instead of the arbitrary date of July 1. The Senator from Alabama [Mr. BANKHEAD], who is familiar with the subject, approves the amendment.

The PRESIDENT pro tempore. The question is on agreeing to the amendment to the amendment.

The amendment to the amendment was agreed to.

Mr. GEORGE. Mr. President, I offer an amendment as a new subsection, which I ask to have stated.

The PRESIDENT pro tempore. The clerk will state the amendment.

The CHIEF CLERK. On page 82, after line 21, it is proposed to insert a new subsection, as follows:

(k) Notwithstanding any other provision of section 32 of Public Law No. 320, Seventy-fourth Congress, as amended, or any order, rule, or regulation of the Secretary of Agriculture the price-adjustment payment of not more than 3 cents per pound to the cotton producers with respect to the 1937 cotton crop shall be made at the earliest practicable time.

Mr. SCHWELLENBACH. Mr. President, it is my understanding that the Senator from Georgia and others interested in the amendment submit it with the understanding that if, as a result of action in this body, and action in the conference with the House, the bill should not be a compulsory bill so far as cotton is concerned, the conferees would have a right to reject the amendment now offered. Am I correct in that statement?

Mr. GEORGE. Mr. President, I would go even further than that. I would say that the Secretary would be entirely justified in declining to make the payments until after there was some proof of compliance, if the voluntary features of the bill went out. So the Senator is quite right in his statement.

Mr. BYRNES. Mr. President, I call the attention of the Senator from Washington to the fact that in the amendment, subsection (j), on page 82, the payment is left to the Secretary "upon such terms and conditions as the Secretary of Agriculture may determine."

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Georgia to the amendment of the committee.

The amendment to the amendment was agreed to.

The amendment, as amended, was agreed to.

Mr. THOMAS of Oklahoma. Mr. President, at this point I desire to offer an amendment to be known as subsection (l).

The PRESIDENT pro tempore. The clerk will state the amendment.

The CHIEF CLERK. It is proposed to insert, after the amendment just agreed to, the following:

(l) Notwithstanding any other provision of this act, in establishing a marketing quota for any farm the economic situation of the

farmer, whether owner, lessee, or sharecropper, shall be taken into consideration, and no marketing quota shall be established for any farm if the amount of the commodities which the farmer would be permitted to market under quota restrictions would not yield sufficient income to meet the normal needs of the farmer and his family, and to provide the farmer a reasonable return upon his farm investment: *Provided*, That to the extent that the total marketing quotas for any commodity may be increased for any year, as herein provided, then such marketing quotas for any such commodity for such year applicable to and established for any farm or group of farms in a common or single ownership producing on an average more income than is necessary to meet the normal needs of the owner of such farm or farms, shall be decreased to the end that such total decreases shall balance such total increases as authorized and provided herein: *And provided further*, That the Secretary of Agriculture is hereby authorized and directed to make, promulgate, and establish rules and regulations for carrying into effect the policy and provisions of this subsection.

Mr. McNARY. Mr. President, this is a very involved amendment. It touches upon two subject-matters which have been discussed. Would the Senator be willing to have the amendment go over?

Mr. THOMAS of Oklahoma. I should like to make a statement, and then will be perfectly willing to have the amendment go over, if any one so requests.

I attended a number of the hearings held by the subcommittee of the Committee on Agriculture and Forestry throughout the southwest. I attended the hearings at Houston, at Dallas, at Oklahoma City, at Memphis, and at Springfield, Ill. I attended eight meetings in my own State of Oklahoma. I heard probably 150 farmers testify. Some of those farmers were so-called large farmers, but most of them were so-called small farmers, and by small farmers I mean renters, tenants, sharecroppers, and the owners of small tracts of land. Without exception, when the question was raised, the testimony was to the effect that the small farmer should be protected.

Mr. President, unless the small farmer can raise enough cotton in the cotton area, or enough wheat in the wheat area, or enough corn or tobacco or rice in the respective areas where those crops are raised, to live on the land, he cannot stay there. If he does not have a sufficient quota, he must leave the farm. If he must leave the farm, where can he go? There is but one place, and that is to some town, to compete, as a rule, with cheap labor, and if he cannot find a job, to go on relief.

Mr. President, in my opinion the bill should not be framed so as to force these little farmers from the farms. On the other hand, it should be framed, if possible, so as to permit them to stay on the farms if they so desire.

The amendment offered merely provides that the economic situation of each small farmer should be taken into consideration, and that he should be given a chance to stay on the farm if he so desires, and be given a sufficient quota of whatever he raises to enable him to raise enough of that commodity to live.

If we would do this, it would be necessary then to cut someone else's quota, and of course the only place to start cutting is on those who are not farming as a means of subsistence alone, but for profit, for speculation. Evidence was produced before the committee that some corporations, some syndicates, are farming as much as a thousand acres, five thousand acres, ten thousand acres, even two hundred fifty thousand acres, raising cotton by the tens of thousands of bales, raising wheat by the hundreds of thousands of bushels.

If we give the little fellow an added chance to live, then these big fellows can stand a reasonable reduction to make up for this necessary increase in the quota to the little fellow. So the amendment is very simple. It merely provides that the Secretary shall have the power to adopt preliminary rules and regulations enabling the committees in the various counties to take into consideration the economic status of any farmer, and if in the opinion of the committee a small farmer needs an added quota to enable him and his family to live, they can give such increased quota. Then, when they get through totaling up the increases on the small farms, it will be necessary to make a similar reduction in quantity of the large farmers. It will help the little fellow and not substantially injure the big fellow.



Mr. President, I desire at this point to put into the RECORD just a few of the statements of witnesses who appeared before the committee.

At Oklahoma City, Mr. Clarence Roberts, the editor of the Oklahoma Farmer Stockman, presented a report on behalf of 10 Oklahoma organizations. The names of those organizations were the following:

- The Oklahoma Grain Growers' Association.
- The Oklahoma Farmers' Emergency Association.
- The Oklahoma Cooperative Council.
- The Oklahoma State Grange.
- The Oklahoma Cooperative Creameries Association.
- The Midwest Wool Marketing Association.
- The Oklahoma Cotton Growers' Association.
- The Union Equity Cooperative Exchange.
- The Farmers' Cooperative Grain Dealers' Association.
- The Oklahoma Livestock Marketing Association.

I think those are the 10 organizations for which Mr. Roberts spoke, and I shall read one paragraph from his report, found on page 1084 of Part 8 of the hearings before the Committee on Agriculture and Forestry.

5. Protection to family-sized farm: In making payments to farmers for crop adjustment we urge that every encouragement be given to the family-sized farm through graduation of payments which will discourage corporation farming.

Mr. President, I call attention to the testimony of one or two other witnesses very briefly. On page 1090 we find the testimony of Mr. Tom Cheek, the president of the Oklahoma Farmers' Union, representing an organization of some 20,000 organized farmers in Oklahoma. Mr. Cheek said:

The family-sized farm should be preserved and protected by penalizing the corporate farming and the big-plantation farm operators. Give the small family-sized farm a marketing privilege and a subsidy on a limited marketing permit needed for our domestic markets.

The small farms (home owners) are the base of our security. Large commercial farmers are the ones that create the troublesome surplus.

I next call attention to the testimony of Mr. Hutcheson, who spoke at Oklahoma City in behalf of the Oklahoma Cotton Growers' Association. Mr. Hutcheson testified as follows, as appears from page 1097 of Part 8 of the hearings:

Mr. HUTCHESON. I said the State as a whole desires protection for the small-sized farm. \* \* \* The civilization we have is settled permanently upon the realization of that small farmer, which is the case in the entire world. Europe today recognizes the fact that the foundation of its nations is the small farmer. If you destroy him, you are destroying your civilization.

I call attention to one more paragraph from the testimony of Mr. E. N. Laburge. I asked Mr. Laburge a question in the form of a statement to get his reaction. My question was in this form:

In numerous parts of the State the witnesses testified that the bill should treat liberally the small farmer. Give him a liberal quota and right to raise enough foodstuff to make a living. In other words, treat the little fellow liberally, and when dealing with corporations and syndicates who produce cotton by the hundreds of thousands of bales, he should be restricted. What do you think of that?

The answer was—

Well, the Chinese proverb answers that: "The well man does not need a doctor, but the sick one does." That is the condition we have on the farm now.

Mr. President, if it is true that the little fellow is the man who is sick, I offer my amendment in behalf of the little fellow. I submit the amendment. I shall not urge that it be acted on this afternoon if anyone requests that the matter go over.

Mr. POPE. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. POPE. I notice in the amendment that power would be given to the Secretary of Agriculture to determine what would be a sufficient income to meet the normal need of the farmer and his family and, in addition, to provide the farmer a reasonable return upon his farm investment. Has the Senator made any investigation to determine how many farmers would not come under his amendment?

Mr. THOMAS of Oklahoma. Mr. President, no one could tell. The Secretary would follow the exact language of the bill in the main. It is only in isolated cases, I take it, that he would have occasion to resort to this liberalized, flexible section. But if he should find some place where the exact language of the bill would not suffice, being too rigid and too strict, then this section is intended to give the Secretary the power, through rules and regulations, to liberalize the language found in the bill at other points. This language applies to all the commodities—not alone to wheat, cotton, and corn but to tobacco and rice as well. It is a general liberalizing section, not mandatory, that may be used if the occasion suggests and demands.

Mr. POPE. Mr. President, will the Senator yield to me further?

Mr. THOMAS of Oklahoma. I yield.

Mr. POPE. I notice that the Senator uses the word "shall," and goes on to provide that the Secretary "shall determine" what will be the normal need of the farmer and his family. Would that not go beyond anything Congress ever contemplated, by giving the Secretary power to go into the personal affairs of the farmer, the farmer's bank account, go into his possible income from every source, and his expenditures? And what would be the normal need of the farmer?

Mr. THOMAS of Oklahoma. I will answer that question by stating that if the Secretary so desired, he could do that; but I take it that the Secretary, whoever he may be, will be reasonable; that he will make his own rules and regulations, and promulgate them, and make them reasonable; and if there is no occasion for the operation of this section, he will not bring it into play. But after the bill shall be passed, if this amendment is adopted, and he then thinks it necessary thus to liberalize and do exact justice, the amendment gives him power to do it.

Mr. POPE. It says that a "reasonable return" should be had upon the farmer's investment. On what basis would the Secretary arrive at reasonable return, and what percentage of interest would the Senator regard as a reasonable return upon the farmer's investment?

Mr. THOMAS of Oklahoma. As things have been going in recent years, there has been no reasonable return on an investment, nor has there been any return. There has been nothing.

Mr. POPE. Exactly.

Mr. THOMAS of Oklahoma. I think the Secretary should fix a quota which would yield a reasonable return on the farmer's investment. A reasonable return on bonds is 2¾ or 3 percent. I think the farmer would be very glad to have a return of that amount at the present time.

Mr. POPE. Is it not true that nearly every farmer in the country would not now have any return?

Mr. THOMAS of Oklahoma. That is correct.

Mr. POPE. Then would not this amendment except every farmer in the country?

Mr. THOMAS of Oklahoma. If the pending bill does not have for its object providing for the farmer a reasonable return upon his investment, then it lacks its essential feature.

Mr. POPE. If the Senator takes everybody out from under the bill, what is the use of enacting the bill?

Mr. THOMAS of Oklahoma. I submit the amendment in line with the testimony given at seven or eight meetings. I can do no more than submit it to the Senate for its consideration and action.

Mr. POPE. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. POPE. Is it the understanding that this amendment will go over, or not?

Mr. BARKLEY. The Senator from Oregon [Mr. McNARY] suggested that it go over. He practically withdrew that suggestion. The Senator from Oklahoma said he would ask for a vote on the amendment now.

Mr. LEE. Mr. President—



Mr. McNARY. I said I was willing to do that; but I am anxious that the Senate proceed along the line of the intention previously expressed, that a recess will be taken until Monday. Does the Senator wish to discuss his proposition?

Mr. LEE. No. I offer an amendment, and request that it go over and not be voted on until Monday.

Mr. BARKLEY. That amendment does not have anything to do with the amendment offered by the senior Senator from Oklahoma?

Mr. LEE. No.

Mr. POPE. Mr. President, unless this amendment were to go over I should have to discuss it, because, in my opinion, it would completely destroy the bill. Therefore, I cannot consent to a vote without discussing the amendment of the senior Senator from Oklahoma and pointing out how it would destroy the bill and let everyone out from under the terms of the bill.

Mr. BARKLEY. If that is true, let the amendment go over. I ask unanimous consent that the amendment go over without prejudice.

The PRESIDENT pro tempore. The Senator from Kentucky asks unanimous consent that the amendment proposed by the senior Senator from Oklahoma (Mr. THOMAS) go over without prejudice. Is there objection? The Chair hears none, and it is so ordered.

Mr. LEE. Mr. President, I offer an amendment which I ask to have stated.

The PRESIDENT pro tempore. The amendment will be stated.

The LEGISLATIVE CLERK. On page 82, between lines 21 and 22, it is proposed to insert the following new subsection:

(k) The payments paid by the Secretary to farmers under this act and the Soil Conservation and Domestic Allotment Act shall be divided among the landowners, tenants, and sharecroppers of any farm, with respect to which such payments are paid, in the same proportion that such landowners, tenants, and sharecroppers are entitled to share in the proceeds of the agricultural commodity with respect to which such payments are paid; and such payments shall be paid by the Secretary directly to the landowners, tenants, or sharecroppers entitled thereto: *Provided*, That, notwithstanding the other provisions of this act and the provisions of the Soil Conservation and Domestic Allotment Act, if the total amount of such payments (except payments computed under section 6 (c) of this act) to any person with respect to any year would, except for the provisions of this proviso, exceed \$600, such amount shall be reduced by 25 percent of that part of the amount in excess of \$600 but not in excess of \$1,000; by 60 percent of that part of the amount in excess of \$1,000 but not in excess of \$1,500; by 90 percent of that part of the amount in excess of \$1,500 but not in excess of \$2,500; and by 95 percent of that part of the amount in excess of \$2,500.

Mr. LEE. Mr. President, this amendment would neither compete with nor conflict with the amendment offered by my colleague, the Senator from Oklahoma [Mr. THOMAS]. In any event, whether his amendment is agreed to or not agreed to, this amendment would be applicable. The purpose of the amendment is—

Mr. McNARY. Mr. President, will not the Senator be kind enough to discuss that amendment on Monday, or at some future date?

Mr. LEE. I shall do so. I thank the Senator for the suggestion. I just want to make a very brief statement and ask to have some tables printed in the RECORD at this point.

We passed a joint resolution before the last Congress adjourned. I wish to read the fifth provision of that joint resolution. It said:

That the present Soil Conservation Act should be continued, its operations simplified, and provision made for reduced payments to large operators on a graduated scale to promote the interest of individual farming.

This amendment is in keeping with that joint resolution, and to carry it out.

Mr. President, I ask unanimous consent to have certain tables printed in the RECORD at this point in connection with my remarks.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The matter referred to is as follows:

Table showing savings that would have been effected under the Agricultural Adjustment Act by the graduated scale proposed

	Old plan	New plan	Percent	Percent saved
Agricultural Adjustment Act, cotton, wheat, and corn-hog payments made in 1933, 1934, 1935.....	\$1,324,214.05	\$114,585.71	8.7	91.3
Agricultural Adjustment Act payments to rice producers over \$10,000 as announced Apr. 4, 1936.....	729,425.94	56,896.30	7.8	92.2
Agricultural Adjustment Act payments to large producers of tobacco, announced Apr. 4, 1936.....	61,984.91	5,249.25	8.5	91.5
Agricultural Adjustment Act list of sugar payments over \$10,000 in Louisiana, announced Apr. 4, 1936.....	3,467,094.26	252,904.72	7.3	92.7
Agricultural Adjustment Act payments to Puerto Rican producers as announced Apr. 4, 1936.....	931,151.16	75,254.14	8.1	91.9
Agricultural Adjustment Act payments over \$10,000 to sugar-beet operators, as announced Apr. 4, 1936.....	779,414.28	66,920.72	8.5	91.5
Grand total.....	7,293,284.60	571,810.84	7.8	92.2
Total amount saved by sliding scale.....	6,721,473.76			
Less cost of new plan.....	571,810.84			
Total saving in percent.....				92.2

1933 wheat program

Total payments under each contract <sup>1</sup>	Contracts in force	Base acreage for wheat	Payments under program	
			Actual payments	Under proposed schedule <sup>2</sup>
		<i>Acres</i>		
\$0-\$599.....	562,813	43,093,000	\$78,071,000	\$78,071,000
\$600-\$999.....	13,347	4,945,000	9,945,000	9,461,000
\$1,000-\$1,499.....	3,620	1,942,000	4,223,000	3,499,000
\$1,500-\$2,499.....	1,385	1,053,000	2,545,000	1,570,000
\$2,500 and over.....	481	698,000	2,023,000	618,000
Total.....	581,646	51,731,000	96,807,000	93,219,000

<sup>1</sup> Based upon tabulation of all contracts received, including some upon which payments were subsequently withheld because of noncompliance. These totals therefore exceed slightly the figures shown in S. Doc. 274, 74th Cong., 2d sess.

<sup>2</sup> Calculating each payment as follows: 100 percent of the amount up to \$599; 75 percent of the amount for the bracket from \$600 to \$999; 40 percent of the amount for the bracket from \$1,000 to \$1,499; 10 percent of the amount for the bracket from \$1,500 to \$2,499; and 5 percent of the amount in excess of \$2,499.

1934 cotton program

Total payments under each contract <sup>1</sup>	Contracts in force	Base acreage for cotton	Payments under program	
			Actual payments	Under proposed schedule <sup>2</sup>
		<i>Acres</i>		
\$0-\$599.....	984,434	31,070,000	\$89,392,000	\$89,392,000
\$600-\$999.....	10,719	2,351,000	8,029,000	7,630,000
\$1,000-\$1,499.....	4,101	1,367,000	4,959,000	4,034,000
\$1,500-\$2,499.....	2,502	1,263,000	4,755,000	2,852,000
\$2,500 and over.....	1,769	1,952,000	8,367,000	2,320,000
Total.....	1,003,525	38,003,000	115,502,000	106,228,000

<sup>1</sup> Based upon tabulations of all contracts executed, including some upon which payments were subsequently withheld because of noncompliance. These totals therefore exceed slightly the figures shown in S. Doc. 274, 74th Cong., 2d sess.

<sup>2</sup> Calculating each payment as follows: 100 percent of the amount up to \$599; 75 percent of the amount for the bracket from \$600 to \$999; 40 percent of the amount for the bracket from \$1,000 to \$1,499; 10 percent of the amount for the bracket from \$1,500 to \$2,499; and 5 percent of the amount in excess of \$2,499.

Mr. LEE. The above tables are furnished by Mordecai Ezekiel, economic adviser to the Department of Agriculture.

The total wheat payments under the proposed plan would have been \$93,219,000, now subtract this amount from the total payments actually made under the A. A. A., which were according to the above chart \$96,807,000, the difference is a saving of \$3,588,000 on wheat. Then make the same deduction on the cotton payments from the second table above and it will result in a savings on cotton payments of \$9,274,000. Then add these two savings, the total savings amount to \$12,862,000 on total payments of \$212,309,000, or a saving of 6 percent under the graduated scale of payments.



According to the above tables how many farmers received \$600 or less? By simple calculation it shows that out of 1,585,171 farmers that 1,547,247 received \$600 or less. Thus less than 2½ percent of the farmers would be affected by the graduated scale and yet a saving of 6 percent on all money spent would be effected.

Table showing the amount and percent of saving that will be effected by the graduated scale when applied to payments over \$10,000 under the agricultural conservation program, payments under old plan, and under proposed sliding scale

#### I. PAYMENTS OVER \$10,000 ANNOUNCED MAY 20, 1937

State <sup>1</sup>	Company <sup>1</sup>	Payments under old plan <sup>1</sup>	Payments under proposed sliding scale <sup>2</sup>
Illinois	Estate of Hiram Sibley	\$10,336.63	\$1,591.83
Minnesota	Humbolt Farming Co.	12,275.64	1,688.78
Florida	Tobacco Corporation	13,982.14	1,774.11
Louisiana	Maxwell Plantations, Inc.	14,214.12	1,785.71
Mississippi	Delta Planting Co.	13,905.61	1,770.23
Do.	Delta Pine & Land Co.	60,388.06	4,094.40
Do.	The Gaddis Farms	10,438.92	1,596.95
Do.	State Penitentiary	37,438.40	2,949.42
Do.	The Robertshaw Co.	15,199.04	1,834.95
Do.	Will Deckery Estate	11,785.33	1,664.27
Do.	P. H. Brooks & Co., Inc.	10,530.11	1,601.51
Do.	McKee Bros.	19,342.95	2,042.15
Texas	G. L. Murray & Sons	15,825.50	1,866.28
Do.	Alcorn Land & Improvement Co.	10,731.81	1,611.59
Arizona	Arizona Citrus Land Co.	47,682.47	3,459.12
Do.	Maricopa Reservoir & Power Co.	19,268.90	2,038.50
Do.	Hodges, J. L.	10,835.46	1,616.77
Do.	Miller Cattle Co.	12,621.14	1,706.06
Do.	Cortaro Farms Co.	17,051.06	1,927.55
Do.	Breece Prewitt Sheep Co.	25,576.00	2,353.80
Total		\$389,480.29	\$40,974.03

#### II. PAYMENTS OVER \$10,000, ANNOUNCED SEPT. 9, 1937

Arkansas	Twist Bros.	\$10,961.79	\$1,623.09
Do.	Fairview Farms Co.	12,690.37	1,708.02
Do.	Joel W. Pugh	14,690.96	1,808.05
Do.	Tillar Mercantile Co.	10,377.23	1,593.88
Do.	Wm. W. Draper	10,680.07	1,609.00
Texas	Oscar J. Wintermann	15,014.81	1,823.74
Do.	Hudspeth Farms	11,981.45	1,671.57
Do.	H. P. Jackson	11,930.68	1,671.53
Do.	J. S. Mooring	10,719.23	1,610.96
Do.	Chapman Ranch	32,062.65	2,677.63
Do.	Simmonds & Perry	14,990.98	1,824.55
Do.	Sugarland Industries	11,675.02	1,658.75
South Carolina	J. F. Bland & Co.	10,013.45	1,575.67
Florida	United States Sugar Corporation	80,821.92	5,116.10
Mississippi	R. W. Owen & Son	10,415.13	1,595.76
Iowa	Amana Society of Iowa	16,748.82	1,912.44
Do.	Metropolitan Life Insurance Co.	16,945.84	1,922.29
Do.	Equitable Life Insurance Co.	14,810.82	1,815.54
Do.	Equitable Life Assurance Society of United States		
Do.	Winnipeg County	11,581.53	1,654.08
Do.	Humboldt County	10,515.42	1,600.77
Do.	Kossuth County	10,663.50	1,608.18
Do.	Wright County	15,216.35	1,835.82
Do.	Metropolitan Life Insurance Co.	13,367.75	1,742.89
South Dakota	Phoenix Mutual Life Insurance Co.	10,723.94	1,611.20
Do.	Mutual Benefit Life Insurance Co.	11,253.48	1,637.67
Do.	South Dakota Rural Credits Board	11,847.74	1,667.39
Montana	State of Montana	14,883.64	1,819.18
California	American Crystal Sugar Co.	11,012.23	1,625.61
Do.	Newhall Land & Farming Co.	13,779.27	1,763.96
Do.	American Crystal Sugar Co.	13,976.59	1,773.83
Do.	E. L. Adams	16,715.04	1,910.75
Do.	Chatom Co., Ltd.	11,878.32	1,668.92
Do.	Mendota Farms, Inc.	21,844.42	2,167.22
Do.	Hotchkiss Estate Co.	20,780.99	2,564.05
Do.	California Packing Corporation	11,359.41	1,642.97
Total		\$567,800.84	\$65,515.04

#### SUMMARY

	Payments under old plan	Payments under proposed sliding scale	Percent of payments under old plan
Table I	\$389,480.29	\$40,974.03	10.5
Table II	557,800.84	65,515.04	11.7
Total <sup>3</sup>	947,281.13	106,489.07	11.4
Total, saved by sliding scale	840,792.06		88.6

<sup>1</sup> CONGRESSIONAL RECORD, Dec. 1, 1937, p. 616, 75th Cong., 2d sess.

<sup>2</sup> Derived from figures in third column by (1) subtracting \$2,500 from each amount (2) taking 5 percent of the remainder, and (3) adding to it \$1,200.

<sup>3</sup> Computed.

The PRESIDENT pro tempore. The amendment offered by the junior Senator from Oklahoma [Mr. LEE] will go over.

Mr. LEE. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. LEE. Will I have the privilege of discussing this amendment on Monday if I yield the floor at this time?

The PRESIDENT pro tempore. The present occupant of the chair would recognize the Senator from Oklahoma on Monday for the purpose of discussing this amendment.

The next amendment of the committee will be stated.

The next amendment was, on page 82, line 22, to insert the following:

#### LONG-STAPLED COTTON

SEC. 65. The provisions of this act shall not apply with respect to cotton having a staple of 1½ inches in length or longer.

The amendment was agreed to.

Mr. SMITH. Mr. President, I have an amendment in reference to pedigree-seed producers. I should like to have it inserted in the bill at this point. It needs a brief explanation.

Mr. McNARY. Mr. President, that might lead to controversy. Where does the Senator desire to have it inserted in the bill?

Mr. SMITH. On page 82, after line 25.

The PRESIDENT pro tempore. The amendment to the amendment will be stated.

The LEGISLATIVE CLERK. On page 82, line 25, after the word "longer" it is proposed to insert "nor shall they apply with respect to any agricultural commodity produced for seed purposes only".

Mr. SMITH. Mr. President, in producing seed the producers sometimes have seed of different character—wheat, corn, or cotton—that is not fit for sale, and they want it to be exempted for that reason. I have received protests from seed producers of all classes.

I hope the amendment will be adopted.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from South Carolina [Mr. SMITH] to the amendment reported by the committee.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The PRESIDENT pro tempore. The next committee amendment will be stated.

The next amendment was on page 83, line 2, to strike out "17," and insert in lieu thereof "66."

The amendment was agreed to.

The PRESIDENT pro tempore. The next committee amendment will be stated.

The LEGISLATIVE CLERK. On page 83, it is proposed to strike out all after line 7, being schedule A.

The amendment was agreed to.

The next amendment was, at the top of page 84, to strike out "Title II—Establishment of Surplus Reserve Loan Corporation" and insert "Title VII—Surplus Reserve Loan Corporation—Establishment."

Mr. BARKLEY. Mr. President, that title has no amendment whatever to the text; only amendments changing the numbers of the sections. I ask unanimous consent that the amendments under that title may be agreed to en bloc.

The PRESIDENT pro tempore. Without objection it is so ordered.

Mr. BARKLEY. That takes us now to page 92, title VIII. Inasmuch as we cannot finish the consideration of the committee amendments this afternoon—

Mr. MCGILL. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. MCGILL. It is my understanding that it is desired to offer some amendments to what is known as schedule A, on page 21, with reference to the percentage of surplus reserve loans as applied to the commodities of wheat and corn. I observe that schedule A was proposed as a committee amendment on page 21, and was stricken out on page 83. The committee amendment on page 21, I think, has been agreed to; has it not?



The PRESIDENT pro tempore. It has.

Mr. MCGILL. I ask unanimous consent that at a later period, when consideration is being given to amendments to the text of the bill, an amendment may be proposed to schedule A on page 21.

Mr. BARKLEY. I am satisfied that if the Senator should ask unanimous consent later to recur to that section, there would be no objection.

Mr. MCGILL. It is not particularly my amendment, but I do know that there will be an amendment offered to that schedule as applied to the two commodities, wheat and corn.

Mr. BARKLEY. There will be no difficulty about that.

Mr. POPE. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. POPE. I call the attention of the Senator from Kansas to the fact that an amendment which would dispose of this matter will be made to the original language of the bill at the top of page 8.

Mr. MCGILL. It will not affect the schedule?

Mr. POPE. It will affect the schedule, but the original language will be on the top of page 8. I think we can amend that.

Mr. OVERTON. I send an amendment to the desk and ask to have it printed and lie on the table.

The PRESIDENT pro tempore. The amendment will be printed and lie on the table.

#### EXECUTIVE MESSAGES REFERRED

The PRESIDENT pro tempore, as in executive session, laid before the Senate messages from the President of the United States submitting several nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

#### RECESS

Mr. BARKLEY. Mr. President, I move that the Senate take a recess until 12 o'clock noon on Monday next.

The motion was agreed to; and (at 4 o'clock p. m.) the Senate took a recess until Monday, December 13, 1937, at 12 o'clock meridian.

#### NOMINATIONS

*Executive nominations received by the Senate December 11 (legislative day of November 16), 1937*

##### JUDGE OF THE UNITED STATES CIRCUIT COURT OF APPEALS

Walter E. Treanor, of Indiana, to be a judge of the United States Circuit Court of Appeals for the Seventh Circuit, vice Samuel Alschuler, retired.

##### PROMOTIONS IN THE NAVY

Comdr. Howard H. J. Benson to be a captain in the Navy, to rank from the 1st day of November 1937.

The following named lieutenants to be lieutenant commanders in the Navy, to rank from the date stated opposite their names:

Francis M. Adams, September 1, 1937.

Hugh H. Goodwin, December 1, 1937.

Thomas J. Raftery, December 1, 1937.

The following named lieutenants (junior grade) to be lieutenants in the Navy, to rank from the 1st day of December 1937:

Albert S. Miller.

Joseph E. Dodson.

## SENATE

MONDAY, DECEMBER 13, 1937

(Legislative day of Tuesday, November 16, 1937)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

#### THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Saturday, December 10, 1937, was dispensed with, and the Journal was approved.

#### CALL OF THE ROLL

Mr. BARKLEY. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Dieterich	La Follette	Reynolds
Andrews	Donahay	Lee	Russell
Ashurst	Duffy	Lodge	Schwartz
Austin	Ellender	Logan	Schwellenbach
Bailey	Frazier	Loung	Sheppard
Bankhead	George	Lundeen	Shipstead
Barkley	Gerry	McAdoo	Smathers
Bilbo	Gibson	McCarran	Smith
Bone	Gillette	McGill	Steiger
Borah	Glass	McKellar	Thomas, Okla.
Brown, Mich.	Graves	McNary	Thomas, Utah
Brown, N. H.	Green	Maloney	Townsend
Bulkeley	Guffey	Miller	Truman
Bulow	Hale	Minton	Tydings
Burke	Harrison	Murray	Vandenberg
Byrd	Hatch	Neely	Van Nuys
Byrnes	Hayden	Norris	Wagner
Capper	Herring	O'Mahoney	Walsh
Caraway	Hitchcock	Overton	Wheeler
Chavez	Holt	Pepper	White
Clark	Johnson, Calif.	Pittman	
Connally	Johnson, Colo.	Pope	
Copeland	King	Radcliffe	

Mr. BARKLEY. I announce that the Senator from Delaware [Mr. HUGHES] is detained from the Senate because of illness.

The Senator from Tennessee [Mr. BERRY], the Senator from Illinois [Mr. LEWIS], and the Senator from New Jersey [Mr. MOORE] are unavoidably detained.

Mr. AUSTIN. The Senator from New Hampshire [Mr. BRIDGES] is absent on official business.

The PRESIDENT pro tempore. Eighty-nine Senators having answered to their names, a quorum is present.

#### NOBEL PEACE PRIZE

The PRESIDENT pro tempore laid before the Senate a letter from the Under Secretary of State transmitting copy of a circular of the Nobel Committee of the Norwegian Parliament furnishing information regarding the proposal of candidates for the Nobel Peace Prize for the year 1938, which, with the accompanying paper, was referred to the Committee on Foreign Relations.

#### PETITIONS AND MEMORIALS

The PRESIDENT pro tempore laid before the Senate resolutions adopted by Farm Credit Administration Local No. 14 of the United Federal Workers of America, favoring the prompt enactment of the so-called Logan bills, being the bills (S. 3050) establishing a 5-day workweek in the Federal service, and for other purposes, and (S. 3051) to provide for the hearing and disposition of employee appeals from discriminatory treatment by superiors in the Federal service, which were referred to the Committee on Civil Service.

He also laid before the Senate a resolution adopted by Local No. 18, Industrial Union of Marine and Shipbuilding Workers of America, Mobile, Ala., favoring the prompt enactment of pending wage and hour legislation, which was ordered to lie on the table.

Mrs. CARAWAY presented a petition, numerous signed, of sundry citizens of the State of Arkansas, praying for the enactment of the so-called Lee bill, being the bill (S. 2911) to promote peace and the national defense through a more equal distribution of the burdens of war by drafting the use of money according to ability to lend to the Government, which was referred to the Committee on Military Affairs.

Mr. VANDENBERG presented a resolution adopted by the City Council of Wyandotte, Mich., protesting against the enactment of legislation to tax the income from municipal bonds, which was referred to the Committee on Finance.

He also presented a petition of sundry citizens of Linwood and Pinconning, Mich., praying for the adoption of the so-called Ludlow resolution, being the joint resolution (H. J. Res. 199) proposing an amendment to the Constitution of the United States to provide for a referendum on war, which was referred to the Committee on the Judiciary.